FISCAL YEAR ENDED SEPTEMBER 30, 2021

COMPREHENSIVE ANNUAL FINANCIAL REPORT

CITY OF CELINA, TEXAS

CELINA TEXAS EST. 1876

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City of Celina, Texas
Annual Comprehensive Financial Report

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Fiscal Year Ended September 30, 2021

ELECTED OFFICIALS:

Sean Terry, Mayor

Mindy Koehne, Mayor Pro-Tem, Place #5

Justin Steiner, Deputy Mayor Pro-Tem, Place #1

Jay Pierce, Place #2

Andy Hopkins, Place #3

Wendie Wigginton, Place #4

Chad Anderson, Place #6

CITY MANAGER OFFICE:

Jason Laumer, City Manager

Karla Stovall, Assistant City Manager

PREPARED BY:

Robin Bromiley, MSA, CGFO – Director of Finance

Stormy Johnson, CPA – Assistant Finance Director

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City of Celina, Texas

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Introductory Section

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March 10, 2022

To the Honorable Mayor and City Council, City Manager, and Residents of Celina, Texas:

The City's management staff is pleased to submit the Annual Comprehensive Financial Report ("ACFR") of the City of Celina ("City") for the fiscal year ending September 30, 2021. Provided herein is a complete set of financial statements in conformity with generally accepted accounting principles accepted in the United States of America ("GAAP") and audited in accordance with generally accepted auditing standards ("GAAS") by an independent licensed firm of certified public accountants.

The purpose of this report is to provide the council, management, staff, the public, and other interested parties with detailed information regarding the City's financial condition. State Law requires that every general-purpose local government publish a complete set of audited financial statements within six months of the close of the fiscal year. Therefore, this report is hereby submitted as mandated by both local ordinance and state statutes required for the fiscal year ended September 30, 2021.

This report consists of management's representations concerning the finances of the city. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the City's various funds. All disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included.

The City is required to obtain an annual audit of the City's financial records and financial activities. BKD, LLP, a licensed, independent certified public accountants firm, has audited the City's financial statements. The independent audit's goal is to provide reasonable assurance that the City's financial statements for the fiscal year ended September 30, 2021, are free of any material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified ("clean") opinion that the City's financial statements for the fiscal year ended September 30, 2021, are fairly presented in conformity with Generally Accepted Accounting Principles ("GAAP"). The independent auditor's report is presented as the first component of the financial section of this report.

Management's discussion and analysis (MD&A) immediately follows the independent auditors' report and provides a narrative introduction, overview, and analysis of the basic financial statements. The MD&A complements this letter of transmittal, and the two should be read in conjunction with each other.

OUR HISTORY

In the northwest corner of Collin County, Celina was not established until 1876, but settlers came into the area at a much earlier date. These settlers lived the lives of typical pioneers building their homes from logs or hauling lumber from Jefferson. They traveled by foot, horseback, or in wagons, making their clothes at home and raising what they had to eat. These early families, as well as later ones, mainly came from Tennessee or Kentucky.

In October 1879, a little settlement began to form a few miles southwest of the present-day Celina. John T. Mulkey, Celina's first Postmaster, renamed the City after Celina, Tennessee. The Methodist church was built in 1880 and also doubled as the school for a while. By 1885, a general store, mill, and drug store opened in "Old Celina". When the railroad came through the City in 1902, residents made an effort to move the City's actual main street eastward toward the tracks. The result is where the City square stands today. Celina has always been a Small City with a Big Vision!

CURRENT DAY

Celina has grown from a farming community near the Grayson County border to the most desired and valuable place to live, work and raise a family. The City has experienced unprecedented growth over the past several years with a 200% growth in population within the last five years. As of September 30, 2021, the estimated current population was 25,195 representing the city limits and not the service limits. This pace makes Celina one of the fastest-growing cities in the Dallas-Fort Worth Metroplex. Situated in high-growth Collin County and nestled between the major arteries of Preston Road to the east and the future Dallas North Tollway to the west, Celina's maximum projected buildout population is approximately 378,000. Celina is positioned geographically, demographically, and economically to quickly become a big player in the North Texas metropolitan community. Celina's median household income is $98,277, with an average home value of $480,540. Residents are only minutes away from Frisco's "$5 Billion Mile," major hospitals, and the top-ranked Prosper and Celina school districts.

COMMUNITY

Celina celebrates its authentic culture. The signature event, CajunFest, as well as several other family-oriented events including Friday Night Farmer's Markets, Movies on the Square, Splash and Blast 4th of July Celebration, Beware! Of the Square and Christmas on the Square, promote Celina's community identity. For the adults, several local wineries promote an interest in culture and good wine.

PROFILE OF THE GOVERNMENT

The City of Celina is a home-rule city and operates on a Mayor-Council form of government. The governing body includes the Mayor and six City Council members. All governing body members serve three-year terms. The governing body, being the elected representative of the people, adopts all ordinances and resolutions and determines the general goals and policies.

The City Manager is the chief administrative officer of the government and is responsible for the enforcement of laws and ordinances, the appointment and supervision of the directors or department heads, and City functions' performance.

The City of Celina provides a full range of services supported through the City's empowerment to levy property tax on both real and personal properties located within its boundaries and the ability to extend its corporate limits by annexation when deemed appropriate by the City Council. These services include fire and police services, ambulance and emergency services, the public library, parks and recreation, water, sewer, trash pickup, traffic engineering, streets and infrastructure, community development including planning and zoning, public improvements, economic development and other administrative services.

The financial reporting entity includes all funds of the primary government as well as its component units. The component units are legally separate entities for which the primary government is financially accountable, but they are not part of the primary government's operations. The Celina Community Development Corporation (Type B) and Celina Economic Development Corporation (Type A) are included in the City's financial statements as discretely presented component units.

FINANCIAL INFORMATION

Financial System and Budgetary Controls

City management is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the City are protected from loss, theft, or misuse. Management must also ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with GAAP. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The contract of reasonable assurance recognizes that (1) the cost of control should not exceed the benefits likely to be derived, and (2) the valuation of costs and benefits requires estimates and judgments by management. All internal control evaluations occur within the above framework

The City's accounting records for general governmental activities are maintained on a modified accrual basis, with revenues recorded when available and measurable, and expenditures being recorded when the services or goods received, and the liabilities incurred. Accounting records for the City's water and sewer and other proprietary activities are maintained on the accrual basis.

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City Council is required to adopt an annual operating budget no later than October 1st, the beginning of the fiscal year. A collaborative team made up of the City Manager, Executive Directors and Department Directors, all work together to prepare a balanced budget that provides for the strategic vision outlined by City Council at the beginning of the process. The proposed budget follows a timeline to insure additional scrutiny is received by City Council during their workshop sessions. The City follows the Truth-in-taxation process for adoption of the budget and ad valorem tax rate.

The budget is developed on a departmental level and adopted at the General, Debt Service, and Water Wastewater fund level. The level of control at which expenditures may not exceed budget with our City Council approval is at the fund level. The objective of budgetary controls is to ensure compliance with legal provision contained in the annual budget approved by the City Council. The City Manager has authority to approve individual departmental budget overages. This budgetary level serves as the foundation for the City's financial planning and control. The City Council approves any amendment or additional funding requests for appropriations when the budget is exceeded at the fund level.

The City of Celina has prepared capital improvement long term plans that provide the framework for our future forecasting for the issuance of debt in addition to the necessity of operations and maintenance. Our priority is to provide long range financial planning to ensure sustainability as well as meeting the service needs and expectations of our citizens. The City currently provides one year approved balanced budget with four years of planning at the operational level utilized internally for forecasting.

The accompanying Annual Comprehensive Financial Report incorporates funds of the City, includes all government activities, organizations, and functions for with the City is financially accountable including its component units. The City's component units are legally separate entities for which the City is financially accountable but are not part of the City's operations.

The City's discretely presented component units are:

- Celina Economic Development Type 4A Sales Tax Corporation (EDC)
- Celina Community Development Type 4B Sales Tax Corporation (CDC)

LOCAL ECONOMY

During the past year, Celina has experienced tremendous growth. The growth is primarily because of new residential developments coming into the City. These new developments will bring a significant number of homes into Celina over the next several years. The average single-family home was on the market for fifteen days with an average price of $505,516. The Sales Price vs the Listed price was 102.72%. A total of 8,205 homes have been permitted between 2016 and 2021. The number of single-family construction permits has risen from 1,562 to 2,734 during the past fiscal year. In 2021, Celina was named the #1 Fastest Growing City in North Texas by Dallas Business Journal for the second year in a row. This rate of growth will have a significant impact on the City, the counties, and the school districts.

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During fiscal year 2021, Celina welcomed Caliber Collision, Summer Moon, Texas Republic Bank, Valley Vines along with 15 other businesses into Celina. The City sales tax has increased with the addition of brick-and-mortar establishments and the local demand for online shopping and shop local campaigns, the City recognized a 62% increase in sales tax during FY 2021 as compared to FY 2020. With new retail development comes the expectation that sales tax revenue will continue to increase as the new commercial entities and homes are built within the City.

Celina ISD is in the process of constructing a middle school that will be open fall 2022. The CISD also has plans of adding one elementary school every year for the next few years. The Collin College - Celina Campus opened in fall of 2021. The 75-acre campus has a 96,000 square foot facility. It is currently designated to accommodate 2,500 students. The Celina Campus will provide greater access to higher education for northwestern Collin County

MAJOR INITIATIVES

The City has completed several studies and plans during fiscal year 2021. These plans and initiatives will shape the development of Celina for the next decade.

The list of these accomplishments are as follows:

- ✓ Completed the 2040 Comprehensive Plan Update
- ✓ Establishment of Sustainability Programs
- ✓ Created the Neighborhood Vision Book
- ✓ Launched the Citizens, Fire and Police Government Academies
- ✓ Implemented Library Homeschool Program
- ✓ Adopted Impact Fee and Water Wastewater Study
- ✓ Established a School Resource Officer Program with CISD
- ✓ Established a Downtown Commission
- ✓ Adopted Downtown Code

Public infrastructure improvement projects for the City of Celina, which are funded and contacted by the City, are called Capital Improvement Projects. The following Capital Improvement Projects were completed, started or under design during FY 2021.

- ✓ Choate Parkway was completed.
- ✓ Old Celina Park Phase II was completed
- ✓ Land acquisitions were completed for future park projects.
- ✓ The Law Enforcement Center and Fire Station #3 are under design.
- ✓ Collin College and the Dallas North Tollway outer loop extension broke-ground in FY 2020. The section from Dallas North Tollway to Choate Parkway was completed.

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- ✓ The City started construction on the Celina Road Ground Storage Tank, Outer loop project from Choate Parkway to Custer Road, Frontier Parkway project from Dallas North Tollway to Preston Road.

ACKNOWLEDGMENTS

The preparation of this report would not have been possible without the skill, effort, and dedication of the entire staff of the Finance Department. We wish to thank all government departments for their assistance in providing the data necessary to prepare this report. We would also like to thank the Mayor and City Council for their unfailing support for maintaining the highest standards of professionalism in the management of the City of Celina's finances.

Respectfully submitted,

Robin Bromiley

Robin Bromiley, MSA, CGFO

Director of Finance

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THE CITY OF CELINA
CORE VALUES

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INTEGRITY

- We do the right thing at all times
- We are committed to building and maintaining credibility and trust both internally and externally
- We are accountable in our words and actions
- We question that which may be inconsistent with our Core Values

COMMUNITY

- We are a unified body and work as a team
- When we disagree, we resolve it according to our Core Values
- We value and respect all employees and our customers
- We foster a culture that includes understanding, support, balance and a sense of humor
- We embrace openness, diversity and inclusion

EXCELLENCE

- We always do our best
- We embrace innovation and efficiency while remaining good stewards of City resources
- We are accountable and take pride in our work
- We seek opportunities to learn and expand our professional horizons

SERVICE

- We are selfless public servants and believe in helping other
- We treat everyone the way we wish to be treated
- We are caring and empathetic in all we do
- We work to deliver excellent service to all we encounter

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WHAT DOES "LIFE CONNECTED" MEAN?

Celina is literally wired for connectivity with highspeed fiber but also encourages personal connections through interconnected trails, open patios, and a thriving City square. Businesses and communities are built on these connections.

Celina brings people together.

BUSINESS SPOTLIGHT VIDEOS

Business Spotlight videos are produce to introduce Celina's small businesses to out community, providing free advertisement opportunities on our Youtube channel and in the monthly Life Connected newsletter

LIFEINCELINATX.COM

Our lifestyle website features sections for Live, Work, Play and Learn activities around Celina.

LIFE IN CELINA PODCAST

The official community podcast of Celina,.On every episode, we celebrate and share the stores behind the amazing people, businesses, and groups that make Celina Home.

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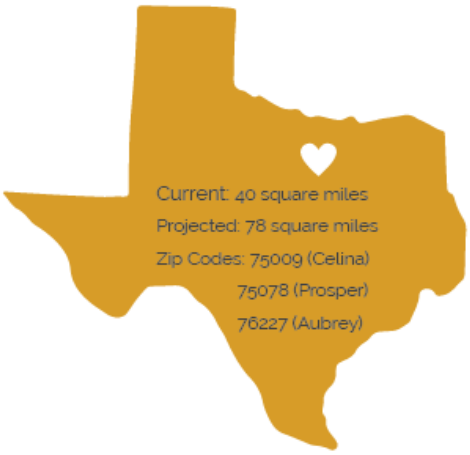
Celina Fast Facts

Updated July 2021

Population

	City Limits	Service Area
Population 2021	22,793	28,413
Population 2026	51,000	58,161

2020 Trade Area: 36,385
2020 Single Family Permits: 1,862
Buildout Population: 378,000



Demographics

Median Age: 37

Education

48% Bachelor's/Grad/Prof Degree
28% Some College
20% High School Graduate

Median Household Income: $98,277
Average Home Value: $480,540

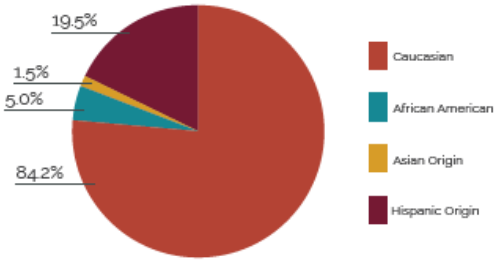
Transportation

Airports

Dallas Love Field Airport – 38.6 Miles/45 Min
DFW Airport – 37.4 Miles/45 Min

Major Highways

N/S: Dallas North Tollway, US 289, FM 1385, FM 2478
E/W: FM 428, FM 455, Outer Loop (Est. comp. 2021-22)



Projected Growth

Education

Celina ISD: 1 high school, 2 middle schools, and 3 elementary schools

Prosper ISD (in Celina): 3 elementary schools

Collin College: Celina Campus (open August 2021)

Celina Economic Development Corporation | (972) 382-3455 | info@celinaedc.com

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Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Celina
Texas

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

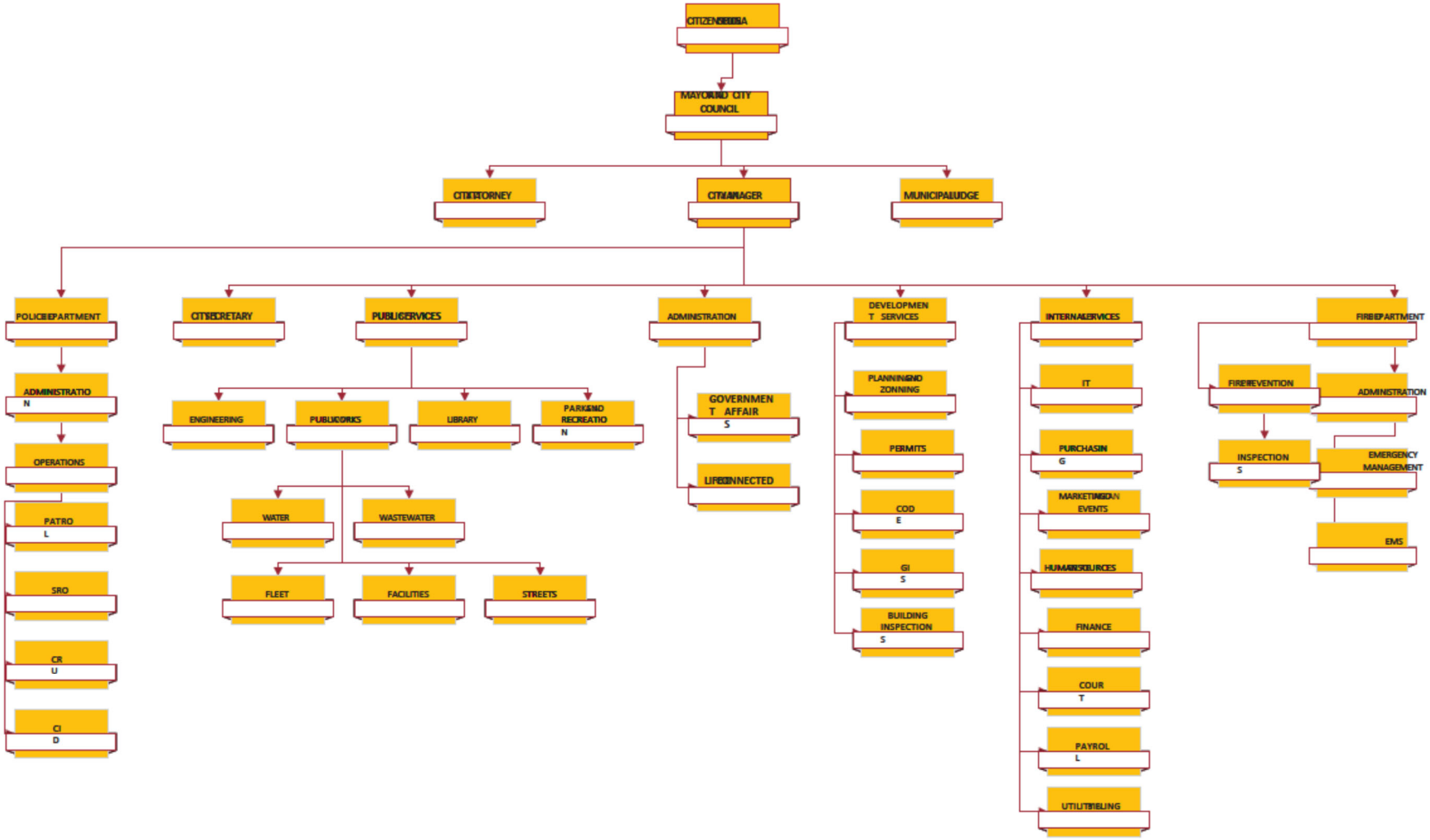
September 30, 2020

Christopher P. Morrill

Executive Director/CEO

City of Celina, Texas

Organizational Chart



Financial Section

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BKD
CPAs & Advisors

14241 Dallas Parkway, Suite 1100 | Dallas, TX 75254-2961
972.702.8262 | Fax 972.702.0673 | bkd.com

Independent Auditor's Report

Members of the City Council
City of Celina, Texas

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Celina (City), as of and for the year ended September 30, 2021, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

PRAXITY
Empowering Business Globally

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City as of September 30, 2021, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the general fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, pension and other postemployment benefit information as listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining and individual fund financial statements and schedules, introductory, and statistical sections as listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund financial statements and schedules is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we also have issued our report dated March 10, 2022, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

BKD, LLP

Dallas, Texas
March 10, 2022

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Management's Discussion and Analysis

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City of Celina, Texas
Management's Discussion and Analysis
September 30, 2021

Management's discussion and analysis provides a narrative overview of the financial activities and changes in the financial position of the City of Celina, Texas (the City), for the fiscal year ended September 30, 2021. It is offered here by the management of the City to the readers of its financial statements. Readers are encouraged to consider the information presented here in conjunction with the information furnished in our letter of transmittal in the introductory section and the City's financial statements and accompanying notes.

FINANCIAL HIGHLIGHTS

- The capital assets represent the city's investment in infrastructure, which increased this fiscal year by $71.26 million. Of this amount, governmental activities increased $50.26 million, bringing net capital assets to $153.04 million. The Business-type activities grew $21.01 million to a total net capital asset of $135.48 million.
- The City's total net position increased by $79.09 million during the fiscal year.
- The City's total amount of outstanding debt is $216.5 million.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of four parts; management's discussion and analysis (this section), basic financial statements, required supplementary information, and combining statements for nonmajor governmental funds.

The basic financial statements include two kinds of statements that present different views of the City:

- The first two statements are Government-Wide Financial Statements that provide information about both the short-term and long-term financial status of the City as a whole.

- The remaining statements are Fund Financial Statements that focus on individual parts of the City's government, reporting the City's operations in more detail than the Government-Wide statements.

    - The Governmental Fund Statements take a short-term view and demonstrate how general government services like public safety were financed during the fiscal year.

    - The Proprietary Fund Statements offer both short-term and long-term financial information about the activities the government operates like businesses, such as the water and wastewater system.

The financial statements also include notes that explain information in the financial statements and provide more detailed data. The statements are followed by a section of required supplementary information that further explains and supports the information in the financial statements. In addition to these required elements, we have included a section with combining statements that provide details about our nonmajor governmental funds, each added together and presented in single columns in the basic financial statements.

Government-Wide Financial Statements. The government-wide financial statements include the Statement of Net Position and the Statement of Activities. These statements are designed to provide readers with a broad overview of the City's finances in a manner similar to a private-sector business. Both are prepared using the economic resources focus and the accrual basis of accounting, meaning that all the current year's revenues and expenses are included regardless of when cash is received or paid.

Statement of Net Position. The Statement of Net Position presents information on the City's assets, deferred outflows of resources, liabilities, and deferred inflows of resources including capital assets and long-term obligations. The difference between the four is reported as net position. Over time, the increases or decreases in net position may serve as a valuable indicator of whether the City's financial position is improving or deteriorating. Other indicators of the City's financial position should be taken into consideration, such as the change in the City's property tax base and condition of the City's infrastructure (i.e., roads, drainage systems, water and sewer lines, etc.), in order to more accurately assess the overall financial condition of the City.

The Statement of Activities presents information showing how the City's net position changed during the most recent fiscal year. It focuses on both the gross and net costs of the government's various activities and thus summarizes the cost of providing specific government services. This statement includes all current year revenues and expenses.

The Statement of Net Position and the Statement of Activities divide the City's activities into two types:

- *Governmental Activities*. Most of the City's basic services are reported here, including general government, police and fire protection, municipal court, streets, park and recreational activities, cultural events, and library. Property taxes, sales taxes, franchise taxes, and building permits provide the majority of the revenue for these activities.

- *Business-Type Activities*. Activities for which the City charges customers a fee to pay most or all of the costs of a service it provides are reported here. The City's business-type activities include water distribution/ wastewater collection, solid waste collection/ disposal, and stormwater drainage.

Fund Financial Statements. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. These statements focus on the most significant funds and may be used to find more detailed information about the City's most significant activities. The funds of the City can be divided into two categories: governmental funds and proprietary funds.

- ***Governmental Funds*.** Governmental funds are used to account for the majority of the City's activities, which are essentially the same functions reported as governmental activities in the government-wide statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

  The focus of the governmental funds' financial statements is narrower than that of the government-wide financial statements. Therefore, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental funds' Balance Sheet and the governmental funds' Statement of Revenues, Expenditures, and Changes in Fund Balances provide a reconciliation to facilitate this comparison. These reconciliations explain the differences between the government's activities as reported in the government-wide statements and the information presented in the governmental funds' financial statements.

  The City reports fourteen individual governmental funds. Major funds are presented separately in the governmental funds' Balance Sheet and in the governmental funds' Statement of Revenues, Expenditures, and Changes in Fund Balances and include the General Fund, the Debt Service Fund, the Street Construction Fund, Parkland Feeds Fund, and the Bond Fund. Data for the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of the nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

  ***Proprietary Funds*.** The City charges customers directly for certain services it provides. These services are generally reported in proprietary funds. Proprietary funds are reported in the same way that all activities are reported in the statement of net position and the statement of activities. The City's enterprise funds (a fund type of proprietary funds) are identical to the business-type activities reported in the government-wide statements. Still, enterprise fund financial statements provide more detail and additional information, such as cash flows.

  The City of Celina maintains one individual enterprise fund. The City uses this fund to account for its water and sewer, storm drainage, and environmental services.

Notes to the Financial Statements. The notes provide additional information that is essential to gain a complete understanding of the data provided in the government-wide and fund financial statements.

Other Information. In addition to the basic financial statements and accompanying notes, this report presents certain required supplementary information (RSI) concerning the City's progress in funding its obligation to provide pension benefits and other post-employment benefits to the employees.

The combining statements referred to earlier in connection with nonmajor governmental funds are presented immediately following the required supplementary information on pensions.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

At the end of the fiscal year 2021, the City's net position (assets and deferred outflows of resources exceeding liabilities and deferred inflows of resources) totaled $232.24 million. Total assets of the City on September 30, 2021 were $480.78 million, deferred outflows of resources were $804,864, total liabilities were $249 million, and deferred inflows of resources were $344,878 resulting in a net position balance of $232.24 million, a 51.6% increase over the previous year. This analysis focuses on the net position and changes in net position.

Net Position. The largest portion of the City's net position, $139.6 million, reflects its investment in capital assets (land and improvements, buildings, infrastructure, vehicles, machinery, and equipment), less any related outstanding debt used to acquire those assets. The City uses these assets to provide services to its citizens; consequently, these assets are not available for future spending. Although the City reports its capital assets net of related debt, the resources needed to repay this debt must be provided from other sources since the capital assets themselves cannot be used to liquidate these liabilities.

Restricted portion of the City's net position, $400,464 for pension asset, $2.17 million for debt, and $6.8 million for capital projects represent resources that are subject to external restrictions on how they may be used. The City's unrestricted net position is $83.26 million, which may be used to meet the City's future obligations.

Table 1
City of Celina Net Position

	Governmental Activities		Business-type Activities		Total	
	2021	2020	2021	2020	2021	2020
Assets						
Current and other assets	$ 105,364,045	$ 50,629,515	$ 86,897,738	$ 41,412,884	$ 192,261,783	$ 92,042,399
Capital assets, net	153,043,680	102,786,257	135,476,249	114,471,419	288,519,929	217,257,676
Total assets	258,407,725	153,415,772	222,373,987	155,884,303	480,781,712	309,300,075
Deferred Outflows of Resources	707,981	570,509	96,883	99,966	804,864	670,475
Liabilities						
Other liabilities	8,193,487	9,915,016	6,838,985	3,078,960	15,032,472	12,993,976
Long-term obligations	124,960,401	61,885,285	109,009,280	81,612,805	233,969,681	143,498,090
Total liabilities	133,153,888	71,800,301	115,848,265	84,691,765	249,002,153	156,492,066
Deferred Inflows of Resources	296,707	283,173	48,171	49,841	344,878	333,014
Net Position						
Net investment in capital assets	83,742,420	51,424,407	55,835,300	54,394,479	139,577,720	105,818,886
Restricted for net pension asset	344,399	249,857	56,065	44,092	400,464	293,949
Restricted for debt service	2,166,835	2,228,648	-	-	2,166,835	2,228,648
Restricted for capital projects	10,665,568	2,446,829	-	-	10,665,568	2,446,829
Unrestricted	28,745,889	25,553,066	50,683,069	16,804,092	79,428,958	42,357,158
Total net position	$ 125,665,111	$ 81,902,807	$ 106,574,434	$ 71,242,663	$ 232,239,545	$ 153,145,470

Changes in Net Position. The government's overall net position increased $79.09 million over the prior fiscal year. The reasons for the overall increase are discussed in the following sections for governmental activities and business-type activities.

Government activities increased the City's net position by $43.76 million from the prior year. This was due in part to an increase in ad valorem tax revenues, building permit revenues, and capital contributions. Key revenue and expense transactions are as follows:

- Net Investment in Capital Assets increased by $1.44 million. The represents the capital assets less the liabilities of infrastructure added to the utility.
- Unrestricted Net Position increased $33.9 million. The unrestricted balances include operating costs and funding for future capital projects. In addition, $25.5 million is committed to the Utility Impact Fee projects, Storm-water Drainage projects, Water Capital Recovery projects, and Wastewater Capital Recovery fee projects. The remaining funds are utilized to meet the fund balance requirements of each operating fund.

- General government expenses increased approximately $3.7 million over last year. This was anticipated due to the demands on service from the additional housing developments and consequently more residents moving to the City. Administration, fire, police, and development services had the largest increases in 2021. Interest expense also increased as additional debt has been issued to keep up with growth.

Business type activities increased net position by $35.3 million. Key elements to the change in net position are as follows:

- The City received $13.9 million in capital contributions from developers in the form of new water, drainage, and sewer lines.
- The City collected $12.4 million in impact fees and capital recovery fees for future water and wastewater infrastructure updates.
- Net Investment in Capital Assets increased by $1.44 million. The represents the capital assets less the liabilities of infrastructure added to the utility.
- Unrestricted Net Position increased $33.9 million. The unrestricted balances include operating costs and funding for future capital projects. In addition, $25.5 million is committed to the Utility Impact Fee projects, Storm-water Drainage projects, Water Capital Recovery projects, and Wastewater Capital Recovery fee projects.

Water sales increased by $689,796, or 8%, over the previous fiscal year. This increase was due to the increased number of customers. The City's number of water customers grew by approximately 2,000 in 2021, a 25% increase from the prior year. Simultaneously, the cost for water, sewer treatment, certificate of convenience and necessity service areas (CCN), and new meter installs; increased 24% over last year.

- In 2021, approximately 1,528 Certificates of Occupancy were issued for single family homes which is reflected in the new water meter customer accounts.
- Expenses increased by 16% due mainly to the $455,113 increased water purchasing cost, $475,658 increase in garbage collection cost, and $166,518 in personnel expenses to keep up with increased service demands.

Table 2
City of Celina
Change in Net Position

	Governmental Activities		Business-type Activities		Total	
	2021	2020	2021	2020	2021	2020
Program Revenues						
Charges for services	$ 25,842,056	$ 13,048,290	$ 41,304,183	$ 26,722,197	$ 67,146,239	$ 39,770,487
Operating grants/contributions	3,636,696	2,764,624	-	-	3,636,696	2,764,624
Capital grants/contributions	19,822,044	15,870,800	13,904,905	23,622,709	33,726,949	39,493,509
General revenues:						
Ad valorem taxes	12,892,450	10,679,289	-	-	12,892,450	10,679,289
Sales taxes	2,652,260	1,823,693	-	-	2,652,260	1,823,693
Franchise taxes	602,037	602,603	-	-	602,037	602,603
Other	8,714,771	4,654,145	333,097	686,102	9,047,868	5,340,247
Total program revenues	74,162,314	49,443,444	55,542,185	51,031,008	129,704,499	100,474,452
Expenses						
Administration	5,295,666	4,676,077	-	-	5,295,666	4,676,077
Judicial	204,724	166,725	-	-	204,724	166,725
Fire and emergency services	5,912,755	5,406,951	-	-	5,912,755	5,406,951
Development services	7,529,485	6,177,019	-	-	7,529,485	6,177,019
Public works	2,636,498	2,888,942	-	-	2,636,498	2,888,942
Police department	4,627,454	3,729,439	-	-	4,627,454	3,729,439
Parks and recreation	1,886,673	1,853,913	-	-	1,886,673	1,853,913
Library	244,058	252,721	-	-	244,058	252,721
Infrastructure	-	-	-	-	-	-
Main street project	75,898	142,972	-	-	75,898	142,972
Interest and fiscal charges	2,320,903	1,752,515	-	-	2,320,903	18,940,622
Water, sewer and sanitation services	-	-	19,876,311	17,188,107	19,876,311	17,188,107
Total expenses	30,734,113	27,047,274	19,876,311	17,188,107	50,610,424	44,235,381
Excess before transfers	43,428,201	22,396,170	35,665,874	33,842,901	79,094,075	56,239,071
Contributions from component unit	-	1,173,784	-	-	-	-
Transfers	334,103	2,752,921	(334,103)	(2,752,921)	-	-
Change in Net Position	43,762,304	26,322,875	35,331,771	31,089,980	79,094,075	57,412,855
Net Position - Beginning of Year	81,902,807	55,579,932	71,242,663	40,152,683	153,145,470	95,732,615
Net Position - End of Year	$ 125,665,111	$ 81,902,807	$ 106,574,434	$ 71,242,663	$ 232,239,545	$ 153,145,470

FINANCIAL ANALYSIS OF THE FUNDS

The focus of the City's funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information helps assess the City's financing requirements. In particular, the unassigned fund balance in the governmental funds may serve as a useful measure of the City's net resources available for spending at the end of the fiscal year.

Governmental Activities. Governmental activities had an increase in fund balance of $56.2 million:

- **General Fund** – The General Fund is the primary operating fund of the City. The fund balance is $16.6 million, representing an increase of $7.69 million from the previous year. The General Fund revenues had a healthy increase due to increased development and growth of the City. Permits and inspection fees had an increase of $7.5 million over the prior year. Sales tax revenue also recognized an increase of $800 thousand. The General Fund's overall expenses increased 25% from last year from $17.9 million to $22.4 million, approximately $4.5 million. The increase was attributable to rising demands of service amongst the majority of the departments such as Engineering by 28%, Fire Department by 22%, and Police by 29%.

- **Debt Fund** – The Debt Fund's fund balance decreased $61,813 due to the increased debt payment of $510,400 over the prior year. The ending fund balance is $2.17 million.

- **Street Construction Fund** – The Street Construction Fund's fund balance decreased $3.6 million in the current fiscal year due to $4.6 million expended on capital assets.

- **Parkland Fee Fund** – The Parkland Fee Fund accounts for the financing and acquisition of major capital park projects. The City received this year $5.3 million in revenue from park fees. In addition, the City received a $1.5 million Collin County Open Space Grant for land purchase. Revenue from a developer agreement was recognized in 2021 of approximately $2.3 million for parks use. The City spent $4.7 million on construction and engineering and transferred $2.6 million to other funds.

- **Bond Fund** – The Bond Fund's fund balance increased $43.7 million primarily due to $60.3 million of new bonds issued during 2021. This issuance was offset by $20.6 million expended on capital assets during the current year and remaining bond proceeds will be spent in future years on capital projects. The ending fund balance is $53.4 million.

Business-Type Activities:

- **Water Wastewater Fund** – The fund had a change in net position of $35.3 million, including operating income of $23.6 million, less non-operating expenditures of $1.05 million, plus capital contributions of $13.2 million, less transfers out of 334,103. The net income includes the combination of seven separate utility operating funds. These are separated internally to allow for proper control and accountability to ensure the funds' disposition meets statutory requirements. For example, Impact fees and Capital Recovery Fees, both of which earned substantial revenues this year, are managed through separate funds but combined within the operating portion of this fund for financial statement purposes.

BUDGETARY HIGHLIGHTS

In the fiscal year 2020-2021, the General Fund expenditure budget was increased by $6.67 million over the 2019-2020 budget. During the fiscal year, budget amendments increased the original revenue budget by $969,188 and increased the expenditure budget by $3.33 million. Amendments were for building permits, grant awards, and unanticipated expenditures during the year. During the fiscal year, the City regularly reviews the budget and determines if a budget amendment is reasonable and necessary. All budget amendments receive scrutiny and City Council approval through an ordinance.

In the General Fund, the actual revenue received in comparison to the final budget was over by $9,582,182. This positive variance is most noticeable in licenses and permits and sales tax revenue. General Fund expenditures had a final budget to actual variance of $2,570,306 prior to other financing sources/uses. The savings between actual and amended expenditures is due to some projects that didn't start on time and or were canceled. The projects /capital items that weren't able to be completed in FY 2021 have been included in the FY 2022 budget. Also, during the last part of the year, many materials and supplies were being delayed due to shipping and manufacturing issues.

The City used a portion of the excess General Fund balance to continue to fund $500,000 to the Economic Stabilization Fund and $635,725 to the vehicle and equipment replacement fund. In addition, the City created a Street Construction fund to put aside money for future road and infrastructure improvements of $950,000. A vehicle and equipment repair fund was also created in FY 2021 for the Water/Wastewater enterprise funds. The opening contribution was $906,895.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets: The City's investment in capital assets for its governmental and business-type activities as of September 30, 2021, amounts to $288.5 million (net of accumulated depreciation), as shown in the table below. This investment in capital assets includes land, buildings, improvements, vehicles, machinery and equipment, infrastructure, and construction in progress. Additional information on the City's capital assets can be found in Note 5 to the financial statements.

Some of the items completed during the fiscal year include:

- $12.2 million for the Downtown Wastewater Treatment Plant
- $4.1 million for Fire Station #2 located in Celina Farms
- $1.7 million for the Preston Road water line
- $1.3 million for the Celina Wastewater Treatment Plant improvements
- $1.3 million for Wastewater improvements at City Hall
- $32.8 million in infrastructure is related to developers' contributions

	Governmental Activities		Business-type Activities		Totals	
	2021	2020	2021	2020	2021	2020
Land	$ 25,526,319	$ 9,391,746	$ 3,264,576	$ 3,135,272	$ 28,790,895	$ 12,527,018
Buildings	17,533,708	12,623,758	12,583	13,742	17,546,291	12,637,500
Parks	9,484,084	9,368,791	-	-	9,484,084	9,368,791
Infrastructure	63,919,231	45,806,900	121,782,824	92,597,064	185,702,055	138,403,964
Vehicles, machinery and equipment	6,515,952	6,185,301	1,415,298	1,392,881	7,931,250	7,578,182
Construction in progress	30,064,386	19,409,761	9,000,968	17,332,460	39,065,354	36,742,221
Total capital assets, net	$ 153,043,680	$ 102,786,257	$ 135,476,249	$ 114,471,419	$ 288,519,929	$ 217,257,676

Long-term Debt: At the end of the current fiscal year, the City of Celina had total bonded debt outstanding of $216.4 million, as shown. Of this amount, $204.1 million represents tax-supported bonds, and $12.3 million represents self-supported bonds. The $82.3 million increase in debt are for numerous upcoming projects such as a public safety, parks and recreation, and municipal administration facilities. Also, for building a downtown community parking lot, and land purchases. This is in addition to the streets, drainage, water and sewer infrastructure to keep up with the projected growth explosion.

	Governmental Activities		Business-type Activities		Totals	
	2021	2020	2021	2020	2021	2020
General obligation bonds	$ 10,860,000	$ 7,115,000	$ 845,000	$ 1,305,000	$ 11,705,000	$ 8,420,000
Certificates of obligation	103,695,000	50,940,200	101,080,000	74,769,800	204,775,000	125,710,000
Total Bonds Payable	$ 114,555,000	$ 58,055,200	$ 101,925,000	$ 76,074,800	$ 216,480,000	$ 134,130,000

In fiscal year 2021, the City issued $7,290,000 in General Obligation Refunding Bonds which refunded the General Obligation Improvements Bonds, Series 2011 and Series 2013. The City also issued $88,095,000 in Tax and Waterworks and Sewer System Revenue Certificates of Obligation, Series 2021 and Series 2021A.

Additional information on the City's long-term debt can be found in Note 6 to the financial statements.

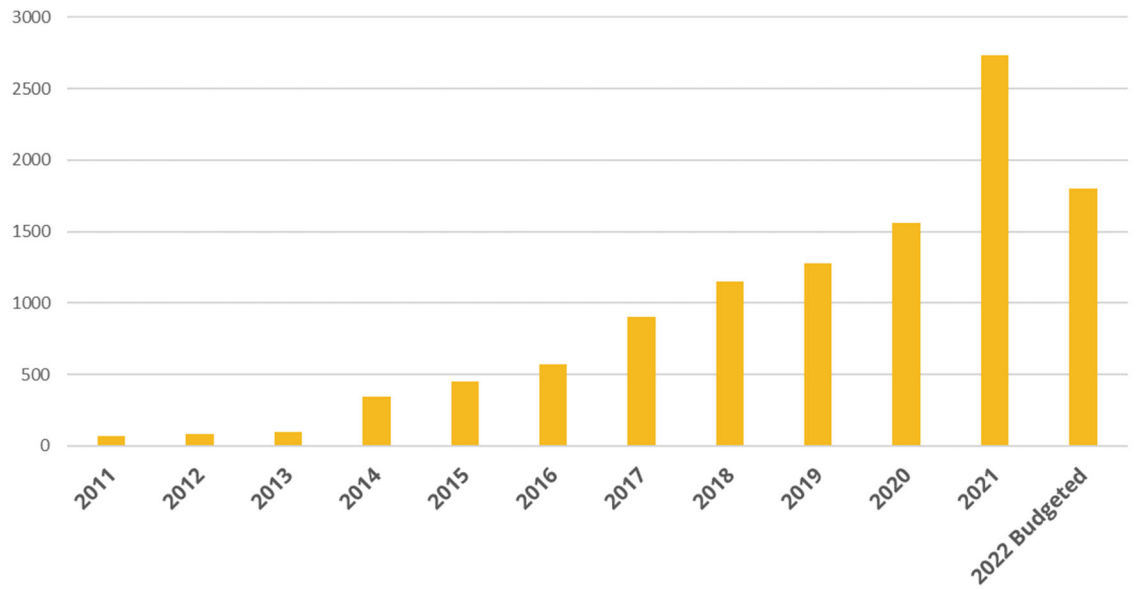
ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

In the fiscal year 2021-2022 budget, the City's goal has been to successfully provide the City Council with a collaborative budget that included departmental participation to collectively balance the budget. The following revenues and expenditures were important components of the budget.

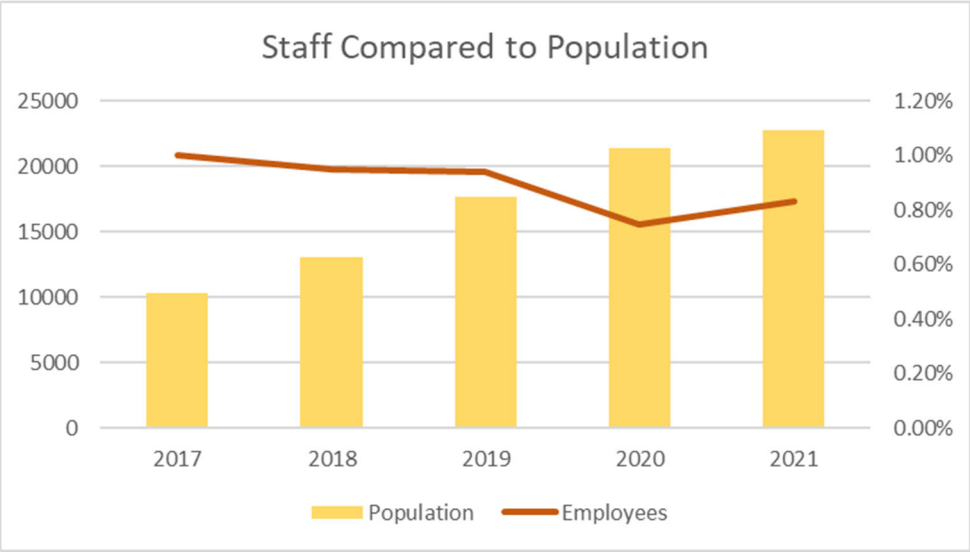
Property taxes. According to the Collin and Denton County Central Appraisal District, the certified taxable value after the homesteads with tax ceiling is estimated to be $2,765,760,979. This value is 31% or $665 million more in assessed valuation than the 2020 adjusted taxable value (as of 07/30/2021). Of this increase, $361 million is attributable to new taxable values added to the tax roll, including improvements and personal property.

Building Permits growth. Revenues from permits in FY 2021-2022 are planned at $10 million with a 53.85% growth rate over the original adopted FY 2020-2021 budget of $6.5 million. The projected total permits for FY 2021-2022 are 1,800.

The City of Celina continues to see strong population and economic growth. In the last ten years, the population has grown from 6,028 in 2011 to 25,195 in 2021. The leading driver of the City's population growth is a strong local housing market. The City issued 2,734 building permits, which increased by 75% over last year's 1,562. Accordingly, permit fee collections have increased by $6,184,214 or 80% for the same period. For the fiscal year 2020-2021, the City collected $13.8 million in permit fees compared with $7.6 million for the same period last year. The increase in building permits and fees is a result of strategic planning going back to 2011.



Staffing. The City's population growth has increased at an average pace of 125% over the last five years. Within the FY 2021-2022 budget, thirty new, full-time equivalent positions were included to assist the departments in keeping with the service level demands. The new personnel, including compensation and benefits, cost $2.4 million.



Capital projects. The following capital projects are scheduled to start in FY2022:
Governmental:

- Senior Citizen Center Remodel @ Bobcat Stadium - $225,000
- Law Enforcement Center - $26,604,700
- Sutton Fields Fire Station #3 - $6,697,500
- Downtown Patio Plaza - $1,535,000
- Fire Station #3 Ambulance & Equipment - $500,000
- Sunset Lift Station - $368,000
- Celina Parkway - $100,800

Water/Wastewater:

- N Preston Rd Waterline – Marble St to Public Works Admin Building - $150,000
- Parks of Wilson Creek Wastewater Line - $903,079
- Feasibility Study Regions Treatment Plant (75 MGD) - $85,000
- Oklahoma Wastewater Line Upgrade - $1,755,000
- Maryland Drainage Improvements - $272,000
- Beech Street – Louisiana to Oklahoma - $1,181,070

Fund Balance and Reserve. By ordinance, the City is required to maintain 25% of annual operating expenses, equal to a 90 days reserve, as a balance in the governmental fund account. Revenues from property taxes to pay for services are typically delayed due to the timing of new growth showing up on the tax rolls resulting in cost for new growth to be paid immediately, while the revenues follow a year later.

The City's proprietary fund, Water Wastewater Fund, practices a reserve of 40%, or 146 days, of working capital. The primary source of revenue is generated by water sales dependent on rate and consumption by customers, while cost is at a 'pay as you go.' This sole source revenue creates the need for a higher fund balance reserve. The reserve is designed to smooth out the low seasonal sales common in the winter months and even the occasional Texas 'wet' summers in an effort to keep rate increases at a minimum.

The 40% reserve is applicable to actual operating expenditures and excludes funds received that are dedicated to capital projects or have restrictions. For both funds, the City monitors the fund balances as a good fund balance is attractive to rating agencies in evaluating a city's financial health.

Contacting the City's Financial Management:

This financial report is designed to provide our citizens, taxpayers, customers, investors, and creditors with a general overview of the City's finances and to show the City's accountability for the money it receives. Questions concerning this report or need for additional information, including financial information for the City's two component units, should be addressed to Robin Bromiley, Director of Finance, by phone at (972) 382-2682 or by e-mail at rbromiley@celina-tx.gov.

Life Connected.

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Basic Financial Statements

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Government-wide Financial Statements

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City of Celina, Texas
Statement of Net Position
September 30, 2021

	Primary Government			Component Units	
	Governmental Activities	Business-type Activities	Total	Economic Development Corporation	Community Development Corporation
Assets					
Cash and cash equivalents	$ 102,425,819	$ 53,123,821	$ 155,549,640	$ 1,965,679	$ 2,474,323
Investments	-	-	-	-	-
Property taxes receivable, net	142,653	-	142,653	-	-
Sales taxes receivable	633,520	-	633,520	316,760	316,760
Accounts receivable, net	101,428	2,968,635	3,070,063	-	-
Other receivables	513,661	750,000	1,263,661	-	-
Due from component units	34,926	-	34,926	-	-
Inventory	6,636	-	6,636	-	-
Prepaid items	1,094,332	-	1,094,332	-	-
Net pension asset	344,399	56,065	400,464	-	-
Restricted assets					
Cash and cash equivalents	-	29,999,217	29,999,217	-	-
Property taxes receivable, net	66,671	-	66,671	-	-
Capital assets					
Land	25,526,319	3,264,576	28,790,895	-	-
Construction in progress	30,064,386	9,000,968	39,065,354	-	-
Capital assets, net	97,452,975	123,210,705	220,663,680	-	-
Total assets	258,407,725	222,373,987	480,781,712	2,282,439	2,791,083
Deferred Outflows of Resources					
Deferred loss on refunding	110,579	-	110,579	-	-
Deferred pension outflows	538,485	87,660	626,145	-	-
Deferred OPEB outflows	58,917	9,223	68,140	-	-
Total deferred outflows of resources	707,981	96,883	804,864	-	-
Liabilities					
Accounts payable	4,419,771	2,099,238	6,519,009	-	-
Accrued salaries and benefits	1,222,677	364,767	1,587,444	91,886	-
Accrued interest	-	180,268	180,268	-	-
Unearned revenue	774,819	2,019,332	2,794,151	-	-
Meter deposits payable	-	1,539,265	1,539,265	-	-
PID Assessments	-	315,945	315,945	-	-
Escrow deposits	1,587,153	-	1,587,153	-	-
Payable from restricted assets					
Accounts payable for capital projects	-	320,170	320,170	-	-
Accrued interest	189,067	-	189,067	-	-
Long-term liabilities					
Due within one year					
Compensated absences	370,810	28,957	399,767	-	-
Bonds payable	3,455,657	4,096,694	7,552,351	-	-
Note payable	-	225,474	225,474	77,245	-
Capital lease	91,074	-	91,074	-	-
Due in more than one year					
Total OPEB liability	173,824	28,297	202,121	-	-
Compensated absences	920,907	32,835	953,742	-	-
Note payable	-	700,052	700,052	682,740	-
Capital lease	7,802	-	7,802	-	-
Bonds payable	119,940,327	103,896,971	223,837,298	-	-
Total liabilities	133,153,888	115,848,265	249,002,153	851,871	-
Deferred Inflows of Resources					
Deferred pension inflows	285,263	46,438	331,701	-	-
Deferred OPEB inflows	11,444	1,733	13,177	-	-
Total deferred inflows of resources	296,707	48,171	344,878	-	-
Net Position					
Net investment in capital assets	83,742,420	55,835,300	139,577,720	-	-
Restricted for net pension asset	344,399	56,065	400,464	-	-
Restricted for debt service	2,166,835	-	2,166,835	-	-
Restricted for capital projects	10,665,568	-	10,665,568	-	-
Restricted for economic development	-	-	-	1,430,568	2,791,083
Unrestricted	28,745,889	50,683,069	79,428,958	-	-
Total net position	$ 125,665,111	$ 106,574,434	$ 232,239,545	$ 1,430,568	$ 2,791,083

The accompanying notes are an integral part of these financial statements.

City of Celina, Texas
Statement of Activities
For the Year Ended September 30, 2021

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions
Primary Government				
Governmental Activities				
Administration	$ 5,295,666	$ -	$ -	$ -
Judicial	204,724	-	-	-
Fire and emergency services	5,912,755	1,214,615	1,199,891	-
Development services	7,529,485	2,737,506	-	-
Public works	2,636,498	16,190,503	-	19,710,918
Police department	4,627,454	122,223	2,436,805	-
Parks and recreation	1,886,673	5,577,209	-	-
Library	244,058	-	-	-
Infrastructure	-	-	-	111,126
Main Street project	75,898	-	-	-
Interest and fiscal charges	2,320,903	-	-	-
Total governmental activities	30,734,113	25,842,056	3,636,696	19,822,044
Business-type Activities				
Water and sewer services	19,876,311	41,304,183	-	13,904,905
Total Business-type Activities	19,876,311	41,304,183	-	13,904,905
Total Primary Government	$ 50,610,424	$ 67,146,239	$ 3,636,696	$ 33,726,949
Component Units				
Celina Economic Development Corp	$ 512,950	$ -	$ 128,661	$ -
Celina Community Development Corp	-	-	-	-
Total component units	$ 512,950	$ -	$ 128,661	$ -

General Revenues
Ad valorem taxes
Sales taxes
Franchise taxes
Miscellaneous
Unrestricted investment earnings
Transfers

Total General Revenues and Transfers

Change in Net Position

Net Position, Beginning of Year

Net Position, End of Year

The accompanying notes are an integral part of these financial statements.

City of Celina, Texas
Statement of Activities
For the Year Ended September 30, 2021 (Continued)

Net (Expense) Revenue and Changes in Net Position			Component Units	
Governmental Activities	Business-type Activities	Total	Economic Development Corporation	Community Development Corporation
$ (5,295,666)	$ -	$ (5,295,666)	$ -	$ -
(204,724)	-	(204,724)	-	-
(3,498,249)	-	(3,498,249)	-	-
(4,791,979)	-	(4,791,979)	-	-
33,264,923	-	33,264,923	-	-
(2,068,426)	-	(2,068,426)	-	-
3,690,536	-	3,690,536	-	-
(244,058)	-	(244,058)	-	-
111,126	-	111,126	-	-
(75,898)	-	(75,898)	-	-
(2,320,903)	-	(2,320,903)	-	-
18,566,683	-	18,566,683	-	
-	35,332,777	35,332,777	-	
-	35,332,777	35,332,777	-	
$ 18,566,683	$ 35,332,777	$ 53,899,460	$ -	
$ -	$ -	$ -	$ (384,289)	$ -
-	-	-	-	-
$ -	$ -	$ -	$ (384,289)	$ -
$ 12,892,450	$ -	$ 12,892,450	$ -	$ -
2,652,260	-	2,652,260	1,434,395	1,434,395
602,037	-	602,037	-	
8,348,234	-	8,348,234	3,000	
366,537	333,097	699,634	26,326	10,761
334,103	(334,103)	-	-	
25,195,621	(1,006)	25,194,615	1,463,721	1,445,156
43,762,304	35,331,771	79,094,075	1,079,432	1,445,156
81,902,807	71,242,663	153,145,470	351,136	1,345,927
$ 125,665,111	$ 106,574,434	$ 232,239,545	$ 1,430,568	$ 2,791,083

City of Celina, Texas
Balance Sheet – Governmental Funds
September 30, 2021

	General Fund	Debt Service Fund	Street Construction Fund	Parkland Fees Fund	Bond Fund	Other Governmental Funds	Total Governmental Funds
Assets							
Cash and cash equivalents	$ 20,798,732	$ 2,151,460	$ 2,660,277	$ 4,754,249	$ 53,085,857	$ 18,975,244	$ 102,425,819
Sales taxes receivable	633,520	-	-	-	-	-	633,520
Property taxes receivable, net	142,653	66,671	-	-	-	-	209,324
EMS receivable, net	101,428	-	-	-	-	-	101,428
Other receivables	500,206	-	-	4,998	-	8,457	513,661
Inventory	6,636	-	-	-	-	-	6,636
Prepaid items	221,275	-	-	-	873,057	-	1,094,332
Due from component units	34,926	-	-	-	-	-	34,926
Total assets	$ 22,439,376	$ 2,218,131	$ 2,660,277	$ 4,759,247	$ 53,958,914	$ 18,983,701	$ 105,019,646
Liabilities							
Accounts payable	$ 2,130,572	$ -	$ 711,042	$ 7,338	$ 539,564	$ 1,006,179	$ 4,394,695
Retainage payable	-	-	-	-	25,076	-	25,076
Accrued salaries and benefits	1,222,677	-	-	-	-	-	1,222,677
Escrowed funds	1,587,153	-	-	-	-	-	1,587,153
Unearned revenue	774,819	-	-	-	-	-	774,819
Total liabilities	5,715,221	-	711,042	7,338	564,640	1,006,179	8,004,420
Deferred Inflows of Resources							
Unavailable revenue	167,632	51,296	-	-	-	-	218,928
Total deferred inflows of resources	167,632	51,296	-	-	-	-	218,928
Fund Balances							
Nonspendable							
Prepaids and inventory	227,911	-	-	-	873,057	-	1,100,968
Restricted							
Capital projects	-	-	1,949,235	-	52,521,217	10,991,250	65,461,702
Debt service	-	2,166,835	-	-	-	-	2,166,835
Law enforcement	-	-	-	-	-	36,620	36,620
Courts	-	-	-	-	-	131,949	131,949
Grants	-	-	-	-	-	12,955	12,955
PEG	-	-	-	-	-	58,548	58,548
Hotel	-	-	-	-	-	14,835	14,835
Technology	-	-	-	-	-	548,150	548,150
Assigned for use in specific funds	-	-	-	4,751,909	-	6,183,215	10,935,124
Unassigned	16,328,612	-	-	-	-	-	16,328,612
Total fund balances	16,556,523	2,166,835	1,949,235	4,751,909	53,394,274	17,977,522	96,796,298
Total liabilities, deferred inflows of resources and fund balances	$ 22,439,376	$ 2,218,131	$ 2,660,277	$ 4,759,247	$ 53,958,914	$ 18,983,701	$ 105,019,646

The accompanying notes are an integral part of these financial statements.

City of Celina, Texas
Reconciliation of the Governmental Fund Balance Sheet
To the Statement of Net Position
September 30, 2021

Fund balances of governmental funds	$ 96,796,298
Amounts presented for governmental activities in the statement of net position are different because:	
Capital assets reported in the statement of net position are not financial resources and are not reported in the fund balance sheet.	153,043,680
Receivables not measurable and available within 60 days of year-end, and therefore are unavailable in the fund financial statements.	218,928
Net pension asset $344,399, the related deferred outflows of resources $538,485, and the related deferred inflows of resources ($285,263) are not available to pay current-period expenditures and therefore are not recorded in the funds.	597,621
Total OPEB liability ($173,824), the related deferred outflows of resources $58,917, and the related deferred inflows of resources ($11,444) are not due and payable in the current period and therefore are not recorded in the funds.	(126,351)
Interest due on long-term debt is recorded as accrued interest payable in the statement of net position but does not become a liability on the fund statements until the date due	(189,067)
Long-term liabilities, including related deferred loss on refundings, are reported in the statement of net position but they are not due and payable or consume net position in the current period and; therefore, are not reported in the fund balance sheet	(124,675,998)
Net position of governmental activities	$ 125,665,111

The accompanying notes are an integral part of these financial statements.

City of Celina, Texas
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds
Year Ended September 30, 2021

	General Fund	Debt Service Fund	Street Construction Fund	Parkland Fees Fund	Bond Fund	Other Governmental Funds	Total Governmental Funds
Revenues							
Ad valorem taxes	$ 8,261,866	$ 4,515,868	$ -	$ -	$ -	$ -	$ 12,777,734
Franchise fees	602,037	-	-	-	-	-	602,037
Sales tax	2,652,260	-	-	-	-	-	2,652,260
Permits and inspection fees	16,190,503	-	-	-	-	-	16,190,503
Development fees	433,369	-	-	2,304,137	-	-	2,737,506
Developer contributions	111,126	-	-	-	-	-	111,126
Fire department, EMS, and police revenues	1,214,615	-	-	-	-	-	1,214,615
Fines	95,995	-	-	-	-	-	95,995
Special events and donations	199,879	-	-	-	-	81,554	281,433
Park fees	-	-	-	5,295,776	-	-	5,295,776
Impact and capital recovery fees	-	-	-	-	-	6,429,565	6,429,565
Other income	523,833	-	-	-	-	1,394,836	1,918,669
Interest	124,951	28,759	20,865	42,242	60,559	89,161	366,537
Federal, state, and local grants	1,270,374	-	-	1,500,000	-	866,322	3,636,696
Total revenues	31,680,808	4,544,627	20,865	9,142,155	60,559	8,861,438	54,310,452
Expenditures							
Current							
Administration	4,150,488	-	-	-	-	411,466	4,561,954
Judicial	181,964	-	-	-	-	-	181,964
Fire and emergency services	4,974,980	-	-	-	-	-	4,974,980
Development services	4,353,873	-	-	-	-	857,526	5,211,399
Public works	1,818,731	-	44,340	-	-	525,078	2,388,149
Police department	4,307,806	-	-	-	-	31,846	4,339,652
Parks and recreation	1,587,800	-	-	202,000	-	-	1,789,800
Library	242,967	-	-	-	-	-	242,967
Main street project	-	-	-	-	-	75,898	75,898
Capital Outlay	754,086	-	4,551,346	4,707,752	20,596,629	4,140,529	34,750,342
Debt Service:							
Principal	-	3,340,200	-	-	-	-	3,340,200
Interest and fiscal charges	-	2,012,300	-	-	-	-	2,012,300
Bond issuance cost	-	106,899	-	-	721,303	-	828,202
Total expenditures	22,372,695	5,459,399	4,595,686	4,909,752	21,317,932	6,042,343	64,697,807
Excess (deficiency) of revenues over (under) expenditures	9,308,113	(914,772)	(4,574,821)	4,232,403	(21,257,373)	2,819,095	(10,387,355)
Other Financing Sources (Uses)							
Issuance of bonds	-	-	-	-	60,285,000	-	60,285,000
Bond premium	-	650,173	-	-	5,945,277	-	6,595,450
Issuance of refunding bonds	-	7,290,000	-	-	-	-	7,290,000
Payments to refunding bond escrow agent	-	(7,882,414)	-	-	-	-	(7,882,414)
Transfers in	1,254,792	795,200	950,000	-	-	4,534,725	7,534,717
Transfers out	(2,872,225)	-	-	(2,612,500)	(1,229,720)	(486,169)	(7,200,614)
Total other financing sources (uses)	(1,617,433)	852,959	950,000	(2,612,500)	65,000,557	4,048,556	66,622,139
Net Change in Fund Balances	7,690,680	(61,813)	(3,624,821)	1,619,903	43,743,184	6,867,651	56,234,784
Fund Balances, Beginning of Year	8,865,843	2,228,648	5,574,056	3,132,006	9,651,090	11,109,871	40,561,514
Fund Balances, End of Year	$ 16,556,523	$ 2,166,835	$ 1,949,235	$ 4,751,909	$ 53,394,274	$ 17,977,522	$ 96,796,298

The accompanying notes are an integral part of these financial statements.

City of Celina, Texas

Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities

Year Ended September 30, 2021

Net change in fund balances – total governmental funds		$ 56,234,784
Amounts reported for governmental activities in the statement of net position are different because:		
Governmental funds report capital outlays as expenditures, while in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlay of $34,750,342 exceeded depreciation expense of ($4,203,837).		30,546,505
Governmental funds do not recognize contributed capital assets. However, in the statement of activities the acquisition value of those assets are recognized as revenue, then allocated over their estimated useful lives and reported as depreciation expense.		19,710,918
Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.		
General and certificates of obligation bonds	3,340,200	
Capital leases	86,529	
Payment to escrow agent	7,882,414	11,309,143
Changes in the liabilities for compensated absences do not require the use of current resources and therefore are not recorded in the funds.		(578,082)
Proceeds from debt issuance, including premiums, are an other financing source in the funds, but a debt issuance increases long-term liabilities in the statement of net position.		(74,170,450)
Changes in long term amounts for net pension asset, the related deferred outflows of resources, and the related deferred inflows of resources are not recorded in the funds.		86,618
Changes in long term amounts for OPEB liability, the related deferred outflows of resources, and the related deferred inflows of resources are not recorded in the funds.		(37,675)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. This includes the change in deferred inflows from ad valorem taxes of, fines receivable and grants receivable.		140,944
The amortization of bond premiums are not recorded in the funds and the increase in accrued interest on debt increases expense in the Statement of Activities.		519,599
Change in net position – governmental activities		$ 43,762,304

The accompanying notes are an integral part of these financial statements.

City of Celina, Texas

Statement of Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual – General Fund
Year Ended September 30, 2021

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
Revenues				
Ad valorem taxes	$ 8,734,098	$ 8,734,098	$ 8,261,866	$ (472,232)
Franchise fees	510,000	510,000	602,037	92,037
Sales tax	1,425,000	1,425,000	2,652,260	1,227,260
Permits and inspection fees	7,000,000	7,402,560	16,190,503	8,787,943
Development fees	150,000	250,000	433,369	183,369
Developer contributions	112,500	112,500	111,126	(1,374)
Fire department, EMS, and police revenues	1,798,500	1,798,500	1,214,615	(583,885)
Fines	136,000	136,000	95,995	(40,005)
Special events and donations	165,000	228,360	199,879	(28,481)
Park fees and donations	230,000	293,570	-	(293,570)
Other income	124,500	464,198	523,833	59,635
Interest	260,000	260,000	124,951	(135,049)
Federal, state, and local grants	483,840	483,840	1,270,374	786,534
Total revenues	21,129,438	22,098,626	31,680,808	9,582,182
Expenditures				
Current				
Administration	4,573,934	5,451,307	4,941,213	510,094
Judicial	204,793	230,393	181,964	48,429
Fire and emergency services	4,815,744	5,213,130	4,951,643	261,487
Development services	3,993,760	5,028,037	4,353,873	674,164
Public works	1,767,794	2,321,689	1,819,086	502,603
Police department	4,335,446	4,730,972	4,294,149	436,823
Parks and recreation	1,614,749	1,663,813	1,587,800	76,013
Library	301,860	303,660	242,967	60,693
Total expenditures	21,608,080	24,943,001	22,372,695	2,570,306
Excess (deficiency) of revenues over (under) expenditures	(478,642)	(2,844,375)	9,308,113	12,152,488
Other Financing Sources (Uses)				
Transfers in	858,728	1,254,790	1,254,792	2
Transfers out	(635,725)	(2,872,225)	(2,872,225)	-
Total other financing sources (uses)	223,003	(1,617,435)	(1,617,433)	2
Net Change in Fund Balances	(255,639)	(4,461,810)	7,690,680	12,152,490
Fund Balances, Beginning of Year	8,865,843	8,865,843	8,865,843	4,070,134
Fund Balances, End of Year	$ 8,610,204	$ 4,404,033	$ 16,556,523	$ 16,222,624

The accompanying notes are an integral part of these financial statements.

Proprietary Fund Financial Statements

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City of Celina, Texas
Statement of Net Position – Proprietary Fund
September 30, 2021

	Water & Sewer Fund
Assets	
Current assets	
Cash and cash equivalents	$ 53,123,821
Cash and cash equivalents – restricted	636,115
Accounts receivable, net	2,968,635
Grants receivable	750,000
Total current assets	57,478,571
Noncurrent assets	
Cash and cash equivalents – restricted for capital projects	29,363,102
Net pension asset	56,065
Capital assets	
Land	3,264,576
Depreciable capital assets, net	123,210,705
Construction in progress	9,000,968
Capital assets, net	135,476,249
Total noncurrent assets	164,895,416
Total assets	222,373,987
Deferred Outflows of Resources	
Deferred pension outflows	87,660
Deferred OPEB outflows	9,223
Total deferred outflows of resources	96,883
Liabilities	
Current liabilities:	
Accounts payable	2,099,238
Accounts payable for capital projects	320,170
Accrued salaries and benefits	364,767
Bonds payable – current	4,322,168
Compensated absences – current	28,957
Accrued interest payable	180,268
Meter deposits payable	1,539,265
PID Assessments	315,945
Unearned revenue	2,019,332
Total current liabilities	11,190,110
Noncurrent Liabilities	
Compensated absences - long-term	32,835
Total OPEB liability	28,297
Bonds payable – long-term	104,597,023
Total noncurrent liabilities	104,658,155
Total liabilities	115,848,265
Deferred Inflows of Resources	
Deferred pension inflows	46,438
Deferred OPEB inflows	1,733
Total deferred inflows of resources	48,171
Net Position	
Net investment in capital assets	55,835,300
Restricted for net pension asset	56,065
Unrestricted	50,683,069
Total net position	$ 106,574,434

The accompanying notes are an integral part of these financial statements.

City of Celina, Texas
Statement of Revenues, Expenses, and Changes in Fund Net Position – Proprietary Fund
Year Ended September 30, 2021

	Water & Sewer Fund
Operating Revenues	
Water sales	$ 9,439,507
Sewer sales	7,856,021
Garbage fees	1,782,086
Penalties	218,603
Tap and reconnect fees	7,366,457
Impact fees	6,095,868
Capital recovery fees	6,304,088
Other revenues	2,241,553
Total operating revenues	41,304,183
Operating Expenses	
Salaries and benefits	1,887,873
Garbage fees	1,421,100
Materials and supplies	2,430,415
Postage	86,059
Repairs and facility maintenance	608,165
General insurance	30,531
Utilities and telephone	434,185
Water purchases and related fees	4,796,016
UTRWD facilities charges	1,742,238
Developer incentives	500,000
Depreciation	3,429,894
Other expense	367,877
Total operating expenses	17,734,353
Operating Income	23,569,830
Nonoperating Revenues (Expenses)	
Grant revenue	750,000
Interest income	333,097
Bond issuance cost	(158,264)
Interest and fiscal charges	(1,983,694)
Total nonoperating revenues (expenses)	(1,058,861)
Income before contributions and transfers	22,510,969
Capital contributions	13,154,905
Transfers in (out)	(334,103)
Change in Net Position	35,331,771
Net Position, Beginning of Year	71,242,663
Net Position, End of Year	$ 106,574,434

The accompanying notes are an integral part of these financial statements.

City of Celina, Texas
Statement of Cash Flows – Proprietary Fund
Year Ended September 30, 2021

	Water & Sewer Fund
Cash Flows from Operating Activities	
Cash received from customers and users	$ 42,632,328
Cash paid to suppliers	(11,670,835)
Cash paid to employees	(1,599,829)
Net cash provided by operating activities	29,361,664
Cash Flows from Noncapital Financing Activities	
Change in customer deposits	481,474
Change in PID assessments	315,945
Transfers to other funds	(334,103)
Net cash provided by noncapital financing activities	463,316
Cash Flows from Capital and Related Financing Activities	
Acquisition of capital assets	(11,289,729)
Proceeds from issuance of bonds	30,133,454
Principal payments on bonds	(1,959,800)
Principal payments on notes	(225,474)
Bond issuance cost	(158,264)
Interest paid on bonds and other long-term obligations	(2,626,570)
Net cash provided by capital and related financing activities	13,873,617
Cash Flows from Investing Activities	
Investment income	333,097
Net cash provided by investing activities	333,097
Net Increase in Cash and Cash Equivalents	44,031,694
Cash and Cash Equivalents, Beginning of Year	39,091,344
Cash and Cash Equivalents, End of Year	$ 83,123,038

The accompanying notes are an integral part of these financial statements.

City of Celina, Texas
Statement of Cash Flows – Proprietary Fund (Continued)
Year Ended September 30, 2021

	Water & Sewer Fund
Reconciliation of Cash and Cash Equivalents to the Statement of Net Position	
Cash and cash equivalents	$ 53,123,821
Restricted cash and cash equivalents	
Current	636,115
Noncurrent	29,363,102
Total cash and cash equivalents	$ 83,123,038
Reconciliation of Operating Income to Net Cash Provided by Operating Activities	
Operating income	$ 23,569,830
Adjustment to Reconcile Operating Income to Net Cash Provided by Operating Activities	
Depreciation	3,429,894
(Increases) decreases in assets and deferred outflows	
Accounts receivable (net)	(691,187)
Grants receivable	-
Net pension asset	(11,973)
Deferred pension outflows	6,706
Deferred OPEB outflows	(3,623)
Increases (decreases) in liabilities and deferred inflows:	
Accounts payable	745,751
Accrued expenses	263,837
Total OPEB liability	9,598
Compensated absences	25,169
Unearned revenue	2,019,332
Deferred pension inflows	(1,844)
Deferred OPEB inflows	174
Total adjustments	5,791,834
Net Cash Provided by Operating Activities	$ 29,361,664
Supplemental Disclosure of Noncash Investing, Capital, and Financing Activities	
Contributions of capital assets	$ 13,154,905
Additions to capital assets included in accounts payable	$ 320,170

The accompanying notes are an integral part of these financial statements.

Notes to Financial Statements

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City of Celina, Texas
Notes to Financial Statements
September 30, 2021

Note 1: Introduction and Summary of Significant Accounting Policies

The financial statements of the City of Celina, Texas (City) and its component units, Celina Economic Development Corporation and Celina Community Development Corporation, collectively identified as the City have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

The accounting and reporting framework and the more significant accounting principles and practices of the City are discussed in subsequent sections of this note. The remaining notes are organized to provide explanations, including required disclosures, of the City's financial activities for the fiscal year ending September 30, 2021.

Reporting Entity and Related Organizations

The City is a municipal corporation governed by an elected mayor and six member City Council. The City provides general administration, public works, police and judicial, and fire and emergency services to its residents. The Council hires a City Manager for day to day operations.

The City Council has the authority to make decisions, appoint administrators and managers, significantly influence operations; and has the primary accountability for fiscal matters. The City is not included in any other governmental "reporting entity" as defined by Governmental Accounting and Financial Reporting Standards.

In evaluating how to define the City for financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit in the reporting entity is made by applying the criteria set forth in GASB Statements No. 14 and 39 as amended by GASB Statement 61, *The Financial Reporting Entity: Omnibus, an amendment of GASB Statements No. 14 and No. 34.* These statements define the reporting entity as the primary government and those component units for which the primary government is financially accountable. In addition, component units may be included in the reporting entity based on the nature and significance of the relationship with the primary government or based on being closely related or financially integrated with the primary government. Based on these criteria, the City has the following component units at September 30, 2021:

Note 1: Introduction and Summary of Significant Accounting Policies (Continued)

Discretely Presented Component Units

Celina Economic Development Corporation (CEDC) - CEDC serves all citizens of the government and is governed by a board appointed by the City Council. The City Council may remove the CEDC board for cause. The City has the ability to impose its will on CEDC and the potential for financial benefit or burden from CEDC's operations. CEDC is a nonprofit corporation governed by Section 4A of the *Texas Development Corporation Act of 1979* and organized for the public purpose of aiding, promoting, and furthering economic development within the City of Celina, Texas.

Celina Community Development Corporation (CCDC) - CCDC serves all citizens of the government and is governed by a board appointed by the City Council. The City Council may remove the CCDC board for cause. The City has the ability to impose its will on CCDC and the potential for financial benefit or burden from CCDC's operations. CCDC is a nonprofit corporation governed by Section 4B of the *Texas Development Corporation Act of 1979* and organized for the public purpose of the promotion and development of industrial and manufacturing enterprises to promote and encourage employment and the public welfare of the City of Celina, Texas.

Neither CEDC nor CCDC prepare separate financial statements.

Government-Wide and Fund Financial Statements

Government-wide financial statements

The government-wide financial statements include the statement of net position and the statement of activities. These statements report financial information for the City as a whole. The primary government and component units are presented separately within the financial statements with the focus on the primary government. Individual funds are not displayed but the statements distinguish governmental activities, generally supported by taxes and City general revenues, from business-type activities, generally financed in whole or in part with fees charged to external customers.

The statement of activities reports the expenses of a given function offset by program revenues directly connected with the functional program. A function is an assembly of similar activities and may include portions of a fund or summarize more than one fund to capture the expenses and program revenues associated with a distinct functional activity. Program revenues include: (1) charges for services which report fees, fines and forfeitures, and other charges to users of the City's services; (2) operating grants and contributions which finance annual operating activities including restricted investment income; and (3) capital grants and contributions which fund the acquisition, construction, or rehabilitation of capital assets and include fees to developers. These revenues are subject to externally imposed restrictions to these program uses. Taxes and other revenue sources not properly included with program revenues are reported as general revenues.

Note 1: Introduction and Summary of Significant Accounting Policies (Continued)

Fund Financial Statements

Fund financial statements are provided for governmental and proprietary funds. Major individual governmental funds and proprietary funds are reported in separate columns with composite columns for nonmajor funds.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The financial statements of the City are prepared in accordance with generally accepted accounting principles (GAAP). The City's reporting entity applies all relevant Governmental Accounting Standards Board (GASB) pronouncements.

The government-wide statements are prepared using the *economic resources measurement focus* and the *accrual basis of accounting* generally including the reclassification or elimination of internal activity (between or within funds). Proprietary fund financial statements and financial statements of City component units also report using this same measurement focus and basis of accounting although internal activity is not eliminated in these statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Property tax revenues are recognized in the year for which they are levied while grants are recognized when granter eligibility requirements are met.

Governmental fund financial statements are prepared using the *current financial resources measurement focus* and the *modified accrual basis of accounting.* Revenues are recognized when they are both measurable and available. Available means collectible within the current period or soon enough thereafter to pay current liabilities. The City considers revenues to be available if they are collected within 60 days of the end of the fiscal year. Expenditures are recorded when the related fund liability is incurred, except for general obligation bond, capital lease principal, pension and other postemployment benefit obligations, compensated absences, and interest which are reported as expenditures in the year due.

Major revenue sources susceptible to accrual include sales and use taxes, property taxes, franchise taxes, grant revenues, and investment income. In general, other revenues are recognized when cash is received.

Operating income reported in proprietary fund financial statements includes revenues and expenses related to the primary, continuing operations of the fund. Principal operating revenues for the proprietary fund are charges to customers for water and sewer sales or services. Principal operating expenses are the costs of providing goods or services and include administrative expenses and depreciation of capital assets. Other revenues and expenses are classified as *non-operating* in the financial statements.

When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then unrestricted resources as needed.

Note 1: Introduction and Summary of Significant Accounting Policies (Continued)

Fund Types and Major Funds

Governmental Funds

The City reports the following major governmental funds:

General Fund – reports as the primary operating fund of the City. This fund is used to account for all financial resources not reported in other funds.

Debt Service Fund – accounts for the accumulation of financial resources for the payment of principal and interest on the City's general obligation debt. The City annually levies ad valorem taxes restricted for the retirement of general obligation bonds, capital leases and interest. This fund reports all such ad valorem taxes collected. This fund is designated as major.

Street Construction Fund – accounts for the financing and acquisition of major capital street projects. Fund resources are provided primarily through bond sales and interest earnings. This fund is designated as major.

Parkland Fees Fund – accounts for the financing and acquisition of major capital park projects. Fund resources are provided primarily through developer park contributions and grants.

Bond Fund – accounts for the acquisition or construction of streets and other capital projects being financed through bond proceeds, or transfers from other funds.

Additionally, the City maintains the following nonmajor governmental funds:

Roadway Impact Fees Fund – accounts for the receipt and expenditure of roadway fees paid to the City.

Capital Equipment Replacement Fund - accounts for the financing and acquisition of capital public safety projects. Fund resources are provided primarily through fire and police fees.

Capital Acquisition Fund- accounts for the financing and acquisition of capital projects. Fund resources are provided primarily through bond sales and interest earnings.

Note 1: Introduction and Summary of Significant Accounting Policies (Continued)

Roadway Capital Recovery Fees Fund – accounts for the receipt and expenditure of road capital recovery fees paid to the City.

Technology Fund – accounts for the receipt and expenditure of technology funds. Fund resources are provided primarily through technology fees.

Stabilization Fund – established to help the City maintain resiliency by ensuring adequate balance to cash flow requirements during economic turbulence.

Developer Capital Fees Fund – to account for Developer Fees paid to build capital projects per the agreements.

Court Special Revenue Fund – to account for the receipt and expenditure of court security and technology funds. Fund resources are provided primarily through contributions, donations and court security fees.

Other Special Revenue Funds – to account for various grants, PEG fees, Law Enforcement, and Contributions/Donations to the City.

Proprietary Funds – The City reports the following major Proprietary fund:

Water and Sewer Fund – accounts for the operating activities of the City's water and sewer utilities services.

Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position Cash and Investments

The City maintains cash and investment pools which are shared by the various governmental funds. In addition, non-pooled cash and investments are separately held and reflected in the respective individual funds. These pooled and non-pooled cash and investment pools are displayed on its respective balance sheet as "cash and cash equivalents" and investments.

Investments are stated at fair value within the fair value hierarchy established by generally accepted accounting principles.

Bank certificates of deposit are carried at amortized cost which approximates fair value.

The City reporting entity considers highly liquid investments (including restricted assets) with an original maturity of three months or less when purchased to be cash equivalents.

Note 1: Introduction and Summary of Significant Accounting Policies (Continued)

Inventories and Prepaids

Inventories consisting of expendable supplies held for consumption in governmental funds are reported using the expenditure method. Under this method, amounts paid for these items are reported as expenditures when purchased. Inventories, when material, are valued at cost stated on a first- in, first-out basis.

Prepaid items record payments to vendors that benefit future reporting periods and are reported on the consumption basis at cost on the government-wide and fund financial statements.

Deferred Outflows and Inflows of Resources

In addition to assets, the statement of financial position and/or balance sheet will sometimes report a separate section for *deferred outflows of resources*. This separate financial statement element represents a consumption of net position that applies to a future reporting period(s) and so will not be recognized as an outflow of resources (expense/ expenditure) until then. The government reports deferred outflows related to deferred loss on bond refundings, pension and OPEB in the government-wide statement of net position.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. Unavailable revenue, which arises only under a modified accrual basis of accounting, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from two sources: property taxes and special assessments. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. In addition, the government reports deferred inflows related to pension and OPEB in the government-wide statement of net position.

Note 1: Introduction and Summary of Significant Accounting Policies (Continued)

Capital Assets, Depreciation, and Amortization

The City's property, plant, equipment and infrastructure with useful lives of more than one year are stated at historical cost, or if historical cost is not available, they are stated at estimated historical cost. Donated assets are reported at acquisition value. These assets are reported in the government-wide financial statements in the applicable governmental or business-type column or in the proprietary fund. The City maintains infrastructure asset records consistent with all other capital assets. The City generally capitalizes assets with a cost of $5,000 or more as purchase and construction outlays occur. The costs of normal maintenance and repairs that do not add to the asset value or materially extend useful lives are not capitalized. Capital assets are depreciated using the straight-line method. When capital assets are disposed, the cost and applicable accumulated depreciation are removed from the respective accounts and the resulting gain or loss is reported.

Estimated useful lives, in years, for depreciable assets are as follows:

Buildings	40
Road infrastructure	15-50
Water & sewer infrastructure & rights	20-40
Vehicles	5
Furniture, machinery, and equipment	5

Long-term Debt, Deferred Bond Credits and Bond Discounts/Premiums

In the government-wide, proprietary and component unit financial statements, outstanding debt is reported as liabilities. Bond discounts are capitalized and amortized over the shorter term of the old or new bonds using the straight-line method. Bond premiums are capitalized and amortized over the life of the new bonds using the effective interest method. Issuance costs are expensed.

The governmental fund financial statements recognize the proceeds of debt and premiums as other financing sources of the current period. Issuance costs are reported as expenditures.

Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the Fiduciary Net Position of the Texas Municipal Retirement System (TMRS) and additions to/deductions from TMRS's Fiduciary Net Position have been determined on the same basis as they are reported by TMRS. For this purpose, plan contributions are recognized in the period that compensation is reported for the employee, which is when contributions are legally due. Benefit payments and refunds are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Note 1: Introduction and Summary of Significant Accounting Policies (Continued)

Defined Benefit Other Postemployment Benefit Plans

The City has a single-employer defined benefit other postemployment benefit (OPEB) plan (Plan). For purposes of measuring the total OPEB liability for the Plan, deferred outflows of resources and deferred inflows of resources related to the OPEB plan, and OPEB expense have been determined on the same basis as they are reported by the Plan. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms for the Plan.

Compensated Absences

Full-time employees earn vacation leave for each month of work performed. Progressive accrual of vacation leave is based on the number of years the individual is employed by the City. After completion of a probationary period of employment, accrued vacation leave is paid upon termination of employment. Full-time employees also earn sick leave time. Unused sick leave is not paid upon termination of employment; therefore, no monetary obligation exists.

Compensated absences are reported as accrued in the government-wide, proprietary, and component unit financial statements. Governmental funds report only matured compensated absences payable to currently terminating employees. These are included in accrued salaries and benefits, as applicable.

Fund Equity

The City implemented GASB Statement 54 standards for the classification of fund balances in the governmental funds. The fund balances of governmental funds are defined as follows:

Nonspendable – amounts that cannot be spent either because they are in nonspendable form, such as inventory or prepaid items or because they are legally or contractually required to be maintained intact.

Restricted – amounts that can be spent only for specific purposes because of constraints that are externally imposed by creditors, grantors, contributors, or laws or regulations of other governments.

Committed – amounts that can be used only for specific purposes determined by a formal action of the City Council. The City Council is the highest level of decision-making authority for the City. Commitments may be established, modified, or rescinded only through a formal resolution of the City Council.

Note 1: Introduction and Summary of Significant Accounting Policies (Continued)

Assigned – amounts that are constrained by the City's intent to be used for a specific purpose but are neither restricted nor committed. This intent can be expressed by the City Council or through the City Council's delegation of this responsibility to City management through the budgetary process.

Unassigned – all other spendable amounts in the general fund. The General Fund is the only fund that reports a positive unassigned fund balance amount.

The City Council delegates the responsibility to assign funds to the City Manager, Director of Finance, or other designees.

When expenditures are incurred for which both restricted and unrestricted fund balance is available the City considers restricted funds to have been spent first. Similarly, committed funds are considered to have been spent first when there is a choice for the use of less restricted funds, then assigned, and then unassigned funds.

Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City is a participant in the Texas Municipal League (TML) Employees Health Insurance Fund, Texas Municipal League Workers' Compensation Joint Insurance Fund (WC Fund), and the Texas Municipal League Joint Self-Insurance Fund (Property-Liability Fund), a public entity risk pool operated by the Texas Municipal League Board for the benefit of individual governmental units located within Texas. The agreement provides that the trust established by TML will be self-sustaining through member premiums. The City pays annual premiums to TML for worker's compensation, general and auto liability, property damage, employee dishonesty, public officials' liability, and law enforcement professional liability coverage. The City does not anticipate any material additional insurance cost assessments as a result of participation in this risk management pool. There were no reductions in insurance coverage from the prior year. Settlements have not exceeded insurance coverage during any of the past three fiscal years.

Estimates

The preparation of financial statements in accordance with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from these estimates.

Note 1: Introduction and Summary of Significant Accounting Policies (Continued)

Adoption of New Accounting Standards

The GASB Statement No. 84 ("GASB 84"), *Fiduciary Activities*, established criteria for identifying fiduciary activities. It presents separate criteria for evaluating component units, pension and other postemployment benefit arrangements, and other fiduciary activities. The focus is on a government controlling the assets of the fiduciary activity and identification of the beneficiaries of those assets. Fiduciary activities are reported in one of four types of funds: pension (and other employee benefit) trust funds, investment trust funds, private-purpose trust funds, or custodial funds. Custodial funds are used to report fiduciary activities that are not held in a trust. The agency fund designation will no longer be used. GASB 84 also provides guidance on fiduciary fund statements and timing of recognition of a liability to beneficiaries. Implementation of GASB 84 had no material impact on the City.

GASB Statement No. 97 ("GASB 97), *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans*, an amendment of GASB Statements No. 14 and No. 84, and a supersession of GASB Statement No. 32. This Statement will result in more consistent financial reporting of defined contribution pension plans, defined contribution OPEB plans, and other employee benefit plans, while mitigating the costs associated with reporting those plans. Implementation of GASB 97 had no material impact on the City.

Statement No. 98 ("GASB 98"), *The Annual Comprehensive Financial Report*. This statement establishes the new term annual comprehensive financial report and the acronym ACFR. The adoption had no impact on the City's net position.

Note 2: Stewardship, Compliance, and Accountability

Budgetary Information

The City Manager submits an annual budget to the City Council in accordance with the laws of the State of Texas and the city charter. The budget is presented to the City Council for review, budget workshops are held with the various City department officials, and public hearings are held to address priorities and the allocation of resources. Generally, in August, the City Council adopts the annual fiscal year budgets for all City operating funds. Once approved, the City Council may amend the legally adopted budget when unexpected modifications are required in estimated revenues and appropriations.

Note 2: Stewardship, Compliance, and Accountability (Continued)

The legal level of budgetary control is at the fund level, but to help departments manage resources a detailed line item budget is prepared for internal use. Each fund's approved budget is prepared on a detailed line item basis. Revenues are budgeted by source. Expenditures are budgeted by department and class as follows: personnel services and related fringe benefits, supplies, other services and charges, capital outlay, transfers, and debt service. Expenditures may not exceed appropriations at the department level. Within this control level, management may transfer appropriations between line items. Line-item transfers within a department are not subject to final review by the City Council. Budget revisions and line item transfers are subject to final review by the City Council. Revisions to the budget were made throughout the year.

The budgets for the operating funds are prepared on the cash and expenditure basis. Revenues are budgeted in the year receipt is expected; and expenditures, which do not include encumbrances, are budgeted in the year that the liability is to be incurred. The Debt Service Fund budget is prepared to provide funding for general obligation debt service when liabilities are due for payment. The General Fund budget and actual included in the basic financial statements is presented on these bases. Unexpended appropriations for annually budgeted funds lapse at fiscal year-end.

Note 3: Deposits and Investments

Custodial credit risk for deposits is the risk that in the event of a bank failure, the City's deposits may not be returned, or the City will not be able to recover collateral securities in the possession of an outside party. The City's policy requires deposits to be fully secured by collateral valued at market or par, whichever is lower, less the amount of Federal Deposit Insurance Corporation (FDIC) insurance. Deposited funds may be invested in certificates of deposit in institutions with an established record of fiscal health. Collateral agreements must be approved prior to deposit of funds. The City Council approves authorized depository institutions based on the recommendations of City management.

Deposits of City of Celina, Texas (primary government), CEDC and CCDC were fully insured or collateralized with securities held by the City, CEDC, CCDC, its agent, or by the pledging financial institution's trust department or agent in the name of the City, CEDC or CCDC, respectively.

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Generally, the City's investing activities are managed under the custody of the Finance Director. Investing is performed in accordance with investment policies adopted by the City Council in compliance with the *Public Funds Investment Act* (PFIA).

Note 3: Deposits and Investments (Continued)

City investment policy and the PFIA generally permit the City to invest in FDIC insured or fully collateralized certificates of deposit, fully collateralized repurchase agreements, public funds investment pools, obligations of the United States of America or its agencies, direct obligations of the State of Texas and obligations of agencies, counties, cities, and other political subdivisions of Texas having been rated as to investment quality by a nationally recognized investment rating firm and having received a rating of not less than "A" or its equivalent. During the year ended September 30, 2021, the City did not own any types of securities other than those permitted by the City investment policy or the *Public Funds Investment Act*.

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Investments held for longer periods are subject to increased risk of adverse interest rate changes. City policy generally requires investment maturities to correspond to anticipated cash flow needs. City policy further states that volatile investment instruments shall be avoided and that nonmarketable instruments with maturities beyond one month shall not exceed 30 percent of the portfolio. In addition, investment maturities shall not exceed the following limits:

Operating funds - 30 days

Capital project funds - corresponding draw schedules

Debt service funds - corresponding payment dates, not to exceed (6) six months

Bond reserve funds - (5) five years

External Investment Pools: The City's pooled investments as of September 30, 2021, were invested in TexPool.

The State Comptroller of Public Accounts exercises oversight responsibility over TexPool. Oversight includes the ability to significantly influence operations, designation of management, and accountability for fiscal matters. Additionally, the State Comptroller has established an Advisory Board composed both of participants in TexPool and of other persons who do not have a business relationship with TexPool. The Advisory Board members review the investment policy and management fee structure. Finally, TexPool is rated AAAm by Standard & Poor's. TexPool is not registered with the Securities and Exchange Commission (SEC) as an investment company.

Investments in TexPool are carried at amortized cost and are reported as cash equivalents in the accompanying financial statements.

Concentration of credit risk is the risk of loss attributed to the magnitude of the City's investment in a single issuer. City policy requires that the risk of principal loss in the portfolio as a whole shall be minimized by diversifying investment types to eliminate the risk of loss from over-concentration of assets in a specific issuer, or a specific class of securities.

Note 3: Deposits and Investments (Continued)

For investments, **custodial credit risk** is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities in the possession of an outside party. The City's policy on safekeeping and custody requires that investments shall be secured through safekeeping agreements. All investment funds shall be placed directly with qualified financial institutions selected through the City's banking procurement process. All transactions shall be executed on a delivery versus payment basis.

Note 4: Receivables

Proprietary Fund Receivables, Uncollectible Accounts, and Unearned Revenue

Significant receivables include amounts due from customers primarily for utility services. The Proprietary Fund reports accounts receivable net of an allowance for uncollectible accounts and revenues net of uncollectible amounts. The allowance amount is estimated using accounts receivable past due more than 60 to 90 days.

The following is the detail of the Proprietary Fund receivables and the related allowance for uncollectible accounts:

Accounts receivable, gross	$ 3,198,505
Grants receivable	750,000
Less: allowance for uncollectible accounts	(229,870)
Net accounts receivable	$ 3,718,635

Property Taxes Receivable, Unearned Revenues, and the Property Tax Calendar

Property tax is levied each October 1 on the assessed value listed as of the prior January 1 for all real and personal property located in the City. Assessed value represents the appraisal value less applicable exemptions authorized by the City Council. The Appraisal Board of Review establishes appraised values at 100.00% for estimated market value. A tax lien attaches to the property on January 1 of each year, to secure the payment of all taxes, penalties and interest ultimately imposed for the year on that property, whether or not the taxes are imposed in the year the lien attaches. Taxes are due on October 1 immediately following the levy date and are delinquent after the following January 31st.

The property tax rate for the year ended September 30, 2021 was .645 per $100 of the assessed valuation on taxable property.

Note 4: Receivables (Continued)

The following is a summary of the overall tax rate as levied by fund:

Maintenance and operations – General Fund	.4531
Interest and sinking – Debt Service Fund	.1919
Total tax rate	.6450

In the governmental fund financial statements, property taxes are recorded as receivables in each of the respective funds on the tax levy date with appropriate allowances for estimated uncollectible amounts. At fiscal year-end, property tax receivables represent delinquent taxes. If delinquent taxes are not paid within 60 days of year-end, they are recorded as deferred inflows of resources.

In the government-wide financial statements, property taxes receivable and related revenue include all amounts due the City with a 10.00% allowance for estimated uncollectible amounts regardless of when cash is received. Over time substantially all property taxes are collected.

Allowance for Uncollectible Taxes

The City records an allowance for uncollectible property taxes in order to estimate the amount of taxes that will ultimately prove to be uncollectible. Management has determined that an allowance in the amount of ten percent (10.00%) of the property taxes receivable in each of the applicable fund types should be adequate to provide for uncollectible property taxes. No provisions are made for uncollectible sales tax receivables, or grants receivable as management estimates that these amounts will be fully collectible.

Fines and Court Costs Receivable and Related Allowances

In the government-wide financial statements, the City records fines and court costs receivable net of amounts estimated to be uncollectible and net of any amounts that would be due to other governmental entities as a result of collection. Management has determined the estimate of uncollectible fines and court costs through an analysis of actual amounts collected subsequent to year end. Amounts due to other governmental entities have been determined based on distribution requirements of the State of Texas.

Note 4: Receivables (Continued)

The following is the detail of the governmental fund receivables and the related allowance for uncollectible accounts:

	General Fund	Debt Service Fund	Parkleand Fees Fund	Other Governmental Fund	Total Governmental Funds
Sales taxes	$ 633,520	$ -	$ -	$ -	$ 633,520
Property taxes	167,827	78,437	-	-	246,264
EMS	594,369	-	-	-	594,369
Other	1,214,735	-	4,998	8,457	1,228,190
Less: Allowance for doubtful accounts	(1,232,644)	(11,766)	-	-	(1,244,410)
Total	$ 1,377,807	$ 66,671	$ 4,998	$ 8,457	$ 1,457,933

Note 5: Capital Assets

Capital asset activity for the year ended September 30, 2021, was as follows:

	Beginning	Increases	Decreases/Transfers	Ending
Governmental Activities				
Nondepreciable capital assets:				
Land	$ 9,391,746	$ 16,134,573	$ -	$ 25,526,319
Construction in progress	19,409,761	16,648,356	(5,993,731)	30,064,386
Total nondepreciable capital assets	28,801,507	32,782,929	(5,993,731)	55,590,705
Depreciable capital assets				
Buildings and improvements	13,878,076	-	5,508,867	19,386,943
Parks	12,352,448	-	124,722	12,477,170
Road infrastructure	54,246,422	19,710,918	360,142	74,317,482
Furniture and equipment	3,990,894	423,695	-	4,414,589
Vehicles	7,340,267	1,543,718	-	8,883,985
Total depreciable capital assets	91,808,107	21,678,331	5,993,731	119,480,169
Total capital assets	120,609,614	54,461,260	-	175,070,874
Less: accumulated depreciation				
Buildings and improvements	1,254,318	598,917	-	1,853,235
Parks	2,983,657	9,429	-	2,993,086
Road infrastructure	8,439,522	1,958,729	-	10,398,251
Furniture and equipment	2,333,768	589,460	-	2,923,228
Vehicles	2,812,092	1,047,302	-	3,859,394
Total accumulated depreciation	17,823,357	4,203,837	-	22,027,194
Capital assets, net	$ 102,786,257	$ 50,257,423	$ -	$ 153,043,680

Note 5: Capital Assets (Continued)

	Beginning	Increases	Decreases/Transfers	Ending
Business-Type Activities				
Nondepreciable capital assets:				
Land	$ 3,135,272	$ 129,304	$ -	$ 3,264,576
Construction in progress	17,332,460	9,165,015	(17,496,507)	9,000,968
Total nondepreciable capital assets	20,467,732	9,294,319	(17,496,507)	12,265,544
Depreciable capital assets				
Buildings and improvements	43,769	-	-	43,769
Water & Sewer infrastructure	104,889,159	14,906,239	17,496,507	137,291,905
Vehicles	860,247	146,544	-	1,006,791
Equipment	1,739,247	87,622	-	1,826,869
Total depreciable capital assets	107,532,422	15,140,405	17,496,507	140,169,334
Total capital assets	128,000,154	24,434,724	-	152,434,878
Less: accumulated depreciation				
Buildings and improvements	30,027	1,159	-	31,186
Water & Sewer infrastructure	12,292,095	3,216,986	-	15,509,081
Vehicles	593,041	105,949	-	698,990
Equipment	613,572	105,800	-	719,372
Total accumulated depreciation	13,528,735	3,429,894	-	16,958,629
Capital assets, net	$ 114,471,419	$ 21,004,830	$ -	$ 135,476,249

Depreciation expense for governmental activities was charged to functions of the City as follows:

Administration	$ 291,102
Fire and emergency services	937,775
Road infrastructure	1,958,729
Public works	248,349
Parks	96,873
Police department	287,802
Development services	359,356
Library	1,091
Court	22,760
Total	$ 4,203,837

Depreciation expense recorded in business -type activities and the Proprietary Fund was $3,429,894.

Note 5: Capital Assets (Continued)

The City of Celina has active construction projects as of September 30, 2021. The projects include streets, water and wastewater, drainage, public safety, park, and general government improvements. At year-end, the City of Celina's commitments with contractors are as follows:

Project	Remaining Commitment
Water/Wastewater Improvements	$ 14,206,912
Parks and Recreation	3,064,075
Public Safety	2,146,617
Drainage Improvements	605,628
Road Improvements	557,195
General Government	171,411
	$ 20,751,838

Note 6: Long-term Obligations

The following is a summary of long-term debt transactions for the City for the year ended September 30, 2021:

	Beginning Balance	Increase	Decrease	Ending Balance	Due Within One Year
Governmental Activities					
Bonds Payable					
General obligation bonds	$ 7,115,000	$ 7,290,000	$ (3,545,000)	$ 10,860,000	$ 850,000
Tax and Waterworks and Sewer System certificates of obligation	50,940,200	60,285,000	(7,530,200)	103,695,000	1,755,000
	58,055,200	67,575,000	(11,075,200)	114,555,000	2,605,000
Issuance premium	2,816,179	6,595,450	(570,645)	8,840,984	850,657
Total bonds payable	60,871,379	74,170,450	(11,645,845)	123,395,984	3,455,657
Capital leases	185,405	-	(86,529)	98,876	91,074
Compensated absences	713,635	649,446	(71,364)	1,291,717	370,810
Governmental Activities Long-Term Debt	$ 61,770,419	$ 74,819,896	$ (11,803,738)	$ 124,786,577	$ 3,917,541
Business-type Activities					
Bonds Payable					
General obligation bonds	$ 1,305,000	$ -	$ (460,000)	$ 845,000	$ 415,000
Tax and Waterworks and Sewer System certificates of obligation	74,769,800	27,810,000	(1,499,800)	101,080,000	3,065,000
	76,074,800	27,810,000	(1,959,800)	101,925,000	3,480,000
Issuance premium	4,331,683	2,323,454	(586,472)	6,068,665	616,694
Total bonds payable	80,406,483	30,133,454	(2,546,272)	107,993,665	4,096,694
Note Payable	1,151,000	-	(225,474)	925,526	225,474
Compensated absences	36,623	61,792	(36,623)	61,792	28,957
Business-type Activities Long-Term Debt	$ 81,594,106	$ 30,195,246	$ (2,808,369)	$ 108,980,983	$ 4,351,125

Note 6: Long-term Obligations (Continued)

Long-term Obligations Supporting Governmental Activities

The government issues general obligation bonds and certificates of obligation to provide funds for the acquisition and construction of major capital facilities. General obligation bonds and certificates of obligation have been issued for both governmental and business-type activities and are direct obligations and pledge the full faith and credit of the government. These bonds and certificates generally are issued as serial bonds with equal amounts of principal maturing each year with maturities of 20 years. General obligation bonds and certificates of obligation are to be repaid with property taxes levied for debt service and recorded by the Debt Service fund. The City's borrowing capacity is restrained by maintaining the City's debt at a responsible level. Other debt issued to support governmental activities are capital lease obligations which are primarily paid from the General Fund and Facilities Improvement Fund.

Interest expense for governmental activities was $2,320,903 and is reported as a separate line item in the statement of activities.

Business-type Activities - Revenue Bonds

Revenue bonds consist of debt issued to support activities of the Proprietary (water and sewer) Fund. In addition to being backed by the full faith and credit of the City, revenue bonds are secured by a lien on and a pledge of the surplus revenues of the water and sewer system.

The City entered into an agreement during fiscal year 2020 with Marilee Special Utility District, formerly known as Gunter Special Utility District, for purchase of 2,225 acres of the Marilee CCN for a total of $1,151,000. The City paid its first of five annual installments during FY21 totaling $225,474.

Interest expense for business-type activities and the Proprietary (water and sewer) Fund was $1,983,694 for the year.

Capital lease agreements represent general obligations of the City and are secured by the equipment acquired by the capital lease proceeds. Current requirements for principal and interest of capital lease obligations are accounted for in the appropriate fund for which the liability was incurred.

Compensated absences are paid from the fund responsible for the employee's compensation with significant liabilities payable from the General Fund and Water & Sewer Fund.

Debt Service Requirements to Maturity

The annual debt service requirements to maturity for bonded debt and capital lease are as follows at year end:

Year Ending September 30	Governmental Activities				
	Bond Principal	Bond Interest	Capital Lease Principal	Capital Lease Interest	Total Required
2022	$ 2,605,000	$4,061,485	91,074	2,951	$ 6,760,510
2023	2,905,000	3,494,163	7,802	33	6,406,998
2024	4,275,000	3,392,363	-	-	7,667,363
2025	4,590,000	3,224,219	-	-	7,814,219
2026	5,535,000	3,063,163	-	-	8,598,163
2027-2031	33,090,000	11,482,850	-	-	44,572,850
2032-2036	34,305,000	5,675,769	-	-	39,980,769
2037-2040	27,250,000	1,581,638	-	-	28,831,638
Totals	$ 114,555,000	$ 35,975,650	$ 98,876	$ 2,984	$ 150,632,510

Year Ending September 30	Business-type Activities		
	Bond Principal	Bond Interest	Total Required
2022	$ 3,480,000	$ 3,939,169	$ 7,419,169
2023	4,830,000	3,387,993	8,217,993
2024	5,035,000	3,198,941	8,233,941
2025	4,930,000	2,983,569	7,913,569
2026	5,145,000	2,784,006	7,929,006
2027-2031	29,025,000	10,487,094	39,512,094
2032-2036	32,530,000	5,142,663	37,672,663
2037-2040	16,950,000	939,181	17,889,181
Totals	$ 101,925,000	$ 32,862,616	$ 134,787,616

Current Year Bond Issuances

In January 2021, The City issued Tax and Waterworks and Sewer System Revenue Certificates of Obligation, Series 2021 in the amount of $57,485,000 to finance the cost of improving the City's waterworks and sewer system. Interest will be payable semiannually on March 1 and September 1 of each year, commencing September 1, 2021. The bonds were issued with a premium of $4,840,529.

Note 6: Long-term Obligations (Continued)

In May 2021, the City refunded $2,145,000 of general obligation (GO) bonds and 5,590,000 of Tax Waterworks and Sewer System Revenue Certificates of Obligation bonds by issuing $7,290,000 in a refunding issuance entitled GO Refunding Bonds, Series 2021. No additional proceeds were received, and the City paid $147,779 in issuance costs and underwriter discounts. The bonds were issued with a premium of $631,435. As a result of the refunding, the City reduced its total debt service requirements by $1,275,276, which resulted in an economic gain (difference between the present value of the debt service payments on the old and new debt) of approximately $1,167,239.

In July 2021, The City issued Tax and Waterworks and Sewer System Revenue Certificates of Obligation, Series 2021A in the amount of $30,610,000 to finance the cost of improving, designing, constructing and equipping the public safety facilities. Interest will be payable semiannually on March 1 and September 1 of each year, commencing March 1, 2022. The bonds were issued with a premium of $3,446,940.

Special Assessment Revenue Bond

From time to time the City issues Special Assessment Revenue Bonds. Total bond principal outstanding for these issues is $183,770,000 at year-end. Proceeds of the bonds were deposited into trust accounts with U.S. Bank N.A. (U.S. Bank) for the purpose of funding improvements in the projects described above. U.S. Bank serves as trustee, for the benefit of the bond holders, for these funds as well as any and all other property or money of every name and nature, which is, from time-to-time hereafter by delivery or in writing of any kind, conveyed, pledged, assigned, or transferred to the trustee. The City is not obligated in any manner for these special assessment revenue bonds.

Note 7: Component Unit Debt Obligations

CEDC has the following debt obligation:

	Beginning Balance	Increase	Decrease	Ending Balance	Due Within One Year
Note Payable	$ 834,289	$ -	$ 74,304	$ 759,985	$ 77,245

In March 2020, CEDC entered into a note payable agreement with Lamar National Bank in the principal amount of $ 1,044,263 with a fixed rate of interest equal to 3.75% to refinance a loan with a predecessor bank. The note payable is unsecured but is expected to be paid out of the sales and use taxes that will be levied and collected by the City of Celina, Collin County, Texas pursuant to the *Development Corporation Act*, Chapter 501, 502 and 504 of the Texas Local Government Code. At September 30, 2021, the outstanding CEDC note balance was $759,985.

The following is the annual debt service requirements to maturity for the note payable:

Year Ending September 30	Principal	Interest	Total Required
2022	$ 77,245	$ 27,791	$ 105,036
2023	80,223	24,812	105,035
2024	83,316	21,718	105,034
2025	86,529	18,504	105,033
2026	89,866	15,168	105,034
2027-2030	342,806	24,920	367,726
Totals	$ 759,985	$ 132,913	$ 892,898

Note 8: Defined Benefit Pension Plans

Plan Description

The City of Celina, Texas participates as one of 895 plans in the defined benefit cash-balance plan administered by the Texas Municipal Retirement System (TMRS). TMRS is a statewide public retirement plan created by the State of Texas and administered in accordance with the *TMRS Act*, Subtitle G, Title 8, Texas Government Code (TMRS Act) as an agent multiple-employer retirement system for employees of Texas participating cities. The TMRS Act places the general administration and management of the System with a six-member Board of Trustees. Although the Governor, with the advice and consent of the Senate, appoints the Board, TMRS is not fiscally dependent on the State of Texas. TMRS' s defined benefit pension plan is a tax-qualified plan under Section 401 (a) of the Internal Revenue Code. TMRS issues a publicly available annual comprehensive financial report that can be obtained at *www.tmrs.com*. All eligible employees of the City are required to participate in TMRS.

TMRS provides retirement, disability, and death benefits. Benefit provisions are adopted by the governing body of the City, within the options available in the state statutes governing TMRS.

At retirement, the benefit is calculated as if the sum of the employee's contributions, with interest, and the City-financed monetary credits with interest were used to purchase an annuity. Members may choose to receive their retirement benefit in one of seven payments options. Members may also choose to receive a portion of their benefit as a Partial Lump Sum Distribution in an amount equal to 12, 24, or 36 monthly payments, which cannot exceed 75.00% of the member's deposits and interest.

Note 8: Defined Benefit Pension Plans (Continued)

The plan provisions are adopted by the governing body of the City, within the options available in the state statutes governing TMRS. Plan provisions for the City were as follows:

Employee deposit rate	7.0%
Matching ratio (City to Employee)	2 to 1
Years required for vesting	5
Service retirement eligibility	20 years at any age, 5 years at age 60 and above
Updated service credit	0%
Annuity increase to retirees	0% of CPI

At the December 31, 2020, valuation and measurement date, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	22
Inactive employees entitled to but not yet receiving benefits	113
Active employees	174
	309

Contributions

The contribution rates for employees in TMRS are either 5.00%, 6.00%, or 7.00% of employee gross earnings, and the City matching percentages are either 100.00%, 150.00% or 200.00%, both as adopted by the governing body of the City. Under the state law governing TMRS, the contribution rate for each City is determined annually by the actuary, using the Entry Age Normal (EAN) actuarial cost method. The actuarially determined rate is the estimated amount necessary to finance the cost of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability.

Employees of the City were required to contribute 7.00% of their annual gross earnings during the fiscal year. The contribution rates for the City were 6.47% and 6.34% in calendar years 2021 and 2020, respectively. The City's contributions to TMRS for the year ended September 30, 2021, were $796,174 and were equal to the required contributions.

Net Pension Liability

The City's Net Pension Liability (NPL) was measured as of December 31, 2020, and the Total Pension Liability (TPL) used to calculate the Net Pension Liability was determined by an actuarial valuation as of that date.

Note 8: Defined Benefit Pension Plans (Continued)

Actuarial Assumptions

The Total Pension Liability in the December 31, 2020, actuarial valuation was determined using the following actuarial assumptions:

Inflation	2.5% per year
Overall payroll growth	2.75% per year
Investment Rate of Return	6.75%, net of position plan investment expense, including inflation

Salary increases are based on a service-related table. Mortality rates for active members are based on the PUB(10) mortality tables with the Public Safety table used for males and the General Employee table used for females. Mortality rates for healthy retirees and beneficiaries are based on the Gender-distinct 2019 Municipal Retirees of Texas mortality tables. The rates for actives, healthy retirees and beneficiaries are projected on a fully generational basis by Scale UMP to account for future mortality improvements. For disabled annuitants, the same mortality tables for healthy retirees is used with a four-year set-forward for males and a three-year set-forward for females. In addition, a 3.5% and 3.0% minimum mortality rate is applied, for males and females respectively, to reflect the impairment for younger members who become disabled. The rates are projected on a fully generational basis by Scale UMP to account for future mortality improvements subject to the floor.

The actuarial assumptions were developed primarily from the actuarial investigation of the experience of TMRS over the four-year period from December 31, 2014 to December 31, 2018. They were adopted in 2019 and first used in the December 31, 2019 actuarial valuation. The post-retirement mortality assumption for Annuity Purchase Rates (APRs) is based on the Mortality Experience Investigation Study covering 2009 through 2011 and dated December 31, 2013. Plan assets are managed on a total return basis with an emphasis on both capital appreciation as well as the production of income in order to satisfy the short-term and long-term funding needs of TMRS.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. In determining their best estimate of a recommended investment return assumption under the various alternative asset allocation portfolios, GRS focused on the area between: (1) arithmetic mean (aggressive) without an adjustment for time (conservative) and (2) the geometric mean (conservative) with an adjustment for time (aggressive). The target allocation and best estimates of real rates of return for each major asset class in fiscal year 2021 are summarized in the following table:

Note 8: Defined Benefit Pension Plans (Continued)

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return (Arithmetic)
Global Equity	30.00%	5.30%
Core Fixed Income	10.00%	1.25%
None-Core Fixed Income	20.00%	4.14%
Real Return	10.00%	3.85%
Real Estate	10.00%	4.00%
Absolute Return	10.00%	3.48%
Private Equity	10.00%	7.75%
Total	100.00%	

Discount Rate

The discount rate used to measure the Total Pension Liability was 6.75%. The projection of cash flows used to determine the discount rate assumed that employee and employer contributions will be made at the rates specified in statute. Based on that assumption, the pension plan's Fiduciary Net Position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the Total Pension Liability.

Note 8: Defined Benefit Pension Plans (Continued)

Changes in the Net Pension Liability

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (Asset) (A - B)
Balance at October 1, 2020	$ 8,960,064	$ 9,254,013	$ (293,949)
Changes for the year:			
Service Cost	1,587,716		1,587,716
Interest	653,756		653,756
Difference between expected and actual experience	(39,432)		(39,432)
Contributions – employer		772,210	(772,210)
Contributions – employee		835,640	(835,640)
Net investment income		705,428	(705,428)
Benefit payments, including refunds of employee contributions	(137,309)	(137,309)	-
Administrative expense		(4,545)	4,545
Other changes	-	(177)	177
Net changes	2,064,731	2,171,247	(106,516)
Balance at September 30, 2021	$ 11,024,795	$ 11,425,260	$ (400,465)

Sensitivity of The Net Pension Liability (Asset) to Changes in the Discount Rate

The following presents the net pension liability (asset) of the City, calculated using the discount rate of 6.75%, as well as what the City's net pension liability (asset) would be if it were calculated using a discount rate that is 1- percentage -point lower (5.75%) or 1- percentage-point higher (7.75%) than the current rate:

	1 % Decrease in Discount Rate (5.75%)	Discount Rate (6.75%)	1% Increase in Discount Rate (7.75%)
City's net pension liability (asset)	$ 1,529,383	$ (400,464)	$ (1,945,952)

Pension Plan Fiduciary Net Position

Detailed information about the pension plan' s Fiduciary Net Position is available in a separately-issued TMRS financial report. That report may be obtained at *www.tmrs.com.*

Note 8: Defined Benefit Pension Plans (Continued)

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

For the year ended September 30, 2021, the City recognized pension expense of $702,445.

At September 30, 2021, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	$ 3,287	$ 71,895
Changes in actuarial assumptions	16,350	106
Difference between projected and actual investment earnings	-	259,700
Contributions subsequent to the measurement date	606,508	-
Total	$ 626,145	$ 331,701

$606,508 reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability for the year ending September 30, 2022. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Fiscal Year Ending September 30,	Amount
2022	$ (91,239)
2023	(33,217)
2024	(151,230)
2025	(27,022)
2026	(9,356)
Total	$ (312,064)

Note 9: Postemployment Benefits Other Than Pensions (OPEB)

Plan description - The City maintains a single-employer defined benefit group-term life insurance plan known as the TMRS Supplemental Death Benefits Fund (SDBF). The plan is administered by the TMRS. This is a voluntary program in which the City elected, by ordinance, to provide group-term life insurance coverage for their active members, including retirees. As the SDBF covers both active and retiree participants, with no segregation of assets, the SDBF is considered to be an unfunded other postemployment benefit (OPEB) plan (i.e. no assets are accumulated in a trust that meets the criteria in paragraph four of GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions).*

Benefits provided - The death benefit for active employees provides a lump-sum payment approximately equal to the employee 's annual salary (calculated based on the employee's actual earnings, for the 12-month period preceding the month of death). The death benefit for retirees is considered an OPEB and is a fixed amount of $7,500.

Employees Covered by Benefit Terms

At the December 31, 2020 actuarial valuation and measurement date, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	16
Inactive employees entitled to but not yet receiving benefits	17
Active employees	174
Total	207

Contributions

The City contributes to the SDBF at a contractually required rate as determined by an annual actuarial valuation. The rate is equal to the cost of providing one-year term life insurance. The funding policy for the SDBF program is to assure that adequate resources are available to meet all death benefit payments for the upcoming year; the intent is not to prefund retiree term life insurance during employees' entire careers.

The City's SDBF contribution rate for all covered employees of the City in calendar years 2021 and 2020 was .11% and .13%, respectively. The City's contributions for all covered employees to the TMRS SDBF for the fiscal years ended September 30, 2021 and 2020, were $15,437 and $25,370, respectively, which equaled the required contributions for each year. The retiree portion of this contribution rate (OPEB portion) was 0.00% of covered payroll in calendar years 2021 and 2020.

Note 9: Postemployment Benefits Other Than Pensions (OPEB) (Continued)

Total OPEB Liability

The City's total OPEB liability (TOL) of $202,121 was measured as of December 31, 2020, and was determined by an actuarial valuation as of that date.

Actuarial Assumptions and Other Inputs

The total OPEB liability in the December 31, 2020 actuarial valuation was determined using the following actuarial assumptions and other inputs:

Inflation	2.50% per year
Salary Increase	3.50% to 11.50% including inflation
Discount Rate	2.00% (2.75% in prior year)
Retirees Share of Benefit Costs	$0

Mortality rates for retirees and beneficiaries are based on the gender-distinct 2019 Municipal Retirees of Texas mortality tables. Based on the size of the City, rates are multiplied by an additional factor of 117.0 percent, which adds an additional layer of conservatism. The rates are projected on a fully generational basis by scale UMP to account for future mortality improvements. For disabled annuitants, the mortality tables for healthy retirees is used with a four-year set-forward for males and a three-year set-forward for females. In addition, a 3.5 percent and 3 percent minimum mortality rate is applied, for males and females respectively, to reflect the impairment for younger members who become disabled. The rates are projected on a fully generational basis by scale UMP to account for future mortality improvements subject to the floor.

The actuarial assumptions were developed primarily from the actuarial investigation of the experience of TMRS over the four-year period from December 31, 2014 to December 31, 2018. They were adopted in 2019 and first used in the December 31, 2019 actuarial valuation.

Discount Rate

The current year discount rate used to measure the total OPEB liability was 2.00% and was based upon the Fidelity Index's "20-year Municipal GO AA Index" rate as of December 31, 2020. The prior year discount rate used to measure the total OPEB liability was 2.75% and was based upon the Fidelity Index's "20-year Municipal GO AA Index" rate as of December 31, 2019.

Note 9: Postemployment Benefits Other Than Pensions (OPEB) (Continued)

Changes in the Total OPEB Liability

	Total OPEB Liability
Balance at October 1, 2020	$ 133,565
Changes for the year:	
Service cost	35,813
Interest on total OPEB liability	4,149
Differences between expected & actual experience	(3,930)
Changes in assumptions and other inputs	33,718
Benefit payments*	(1,194)
Net changes	68,556
Balance at September 30, 2021	$ 202,121

*Due to the SBDF being considered an unfunded OPEB plan under GASB Statement No. 75, benefit payments are treated as being equal to the employer's yearly contribution for retirees.

The SDBF does not incur TMRS Administrative Expenses. The City is charged, and the administrative expenses are paid through the TMRS Defined Benefit Pension Plan recorded under GASB Statement No. 68.

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate

The following presents the total OPEB liability of the City, calculated using the discount rate of 2.00%, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (1.00%) or 1-percentage-point higher (3.00%) than the current rate:

	1 % Decrease (1.00%)	Discount Rate (2.00%)	1% Increase (3.00%)
Total OPEB liability	$ 261,317	$ 202,121	$ 158,694

Note 9: Postemployment Benefits Other Than Pensions (OPEB) (Continued)

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended September 30, 2021, the City recognized OPEB expense of $45,878. At year-end, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 104	$ 7,763
Changes in assumptions and other inputs	57,579	5,414
Contributions made subsequent to measurement date	10,457	
Total	$ 68,140	$ 13,177

$10,457 reported as deferred outflows of resources related to OPEB resulting from contributions subsequent to the measurement date will be recognized as a reduction of the total OPEB liability for the year ending September 30, 2022. Other amounts reported as deferred outflows and inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ended September 30:	Amount
2022	$ 5,916
2023	5,916
2024	5,916
2025	5,916
2026	5,916
Thereafter	14,926
Total	$ 44,506

Note 10: Deferred Compensation Plan

The City offers its employees a defined contribution, deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan is administered by ICMA Retirement Corporation and the Trustee is VantageTrust Company. Benefit provisions are contained in the plan document and were established and can be amended by the action of City Council. All assets and income are held in trust for the exclusive benefit of participants and their beneficiaries; therefore, it is not reported in the financial statements of the City.

The plan, available to all full-time City employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency. The City does not contribute to the plan.

Note 11: Transfers and Payments Within the Reporting Entity

Transfers and Payments

Transfers and payments within the reporting entity are substantially for the purposes of funding capital projects and asset acquisitions, transferring bond proceeds between funds, or maintaining debt service on a routine basis. Resources are accumulated in a fund to support and simplify the administration of various projects or programs. The following schedule reports transfers and payments within the reporting entity:

Fund	Transfers In	Transfers Out
General Fund	$ 1,254,792	$ (2,872,225)
Debt Service Fund	795,200	-
Street Construction Fund	950,000	-
Parkland Fees Fund	-	(2,612,500)
Bond Fund	-	(1,229,720)
Nonmajor Governmental Funds	4,534,725	(486,169)
Water and Sewer Fund	-	(334,103)
	$ 7,534,717	$ (7,534,717)

Note 12: Transfers and Payments Within the Reporting Entity (Continued)

General Fund transfers out is made up of 4 major items. First, the City established a Street Construction Fund in FY 2021 with an initial $950,000 investment. This fund is utilized for long-term planning and street maintenance as the City's street infrastructure ages. In addition, the General Fund transferred $500,000 to the Stabilization Fund, $786,500 was transferred to the Capital Acquisitions fund for various projects, and $635,725 was transferred to the City's Vehicle Replacement Program. Finally, non-Major Governmental funds include the transfers in from the General Fund and Parkland Fund, mainly for the procurement of capital outlay and improvements. Bond fund transfers were to the Water and Sewer funds and were used for capital outlay.

Note 13: Contingencies

The City participates in various state and federal grant programs and contracts which are subject to financial and compliance audits by the grantors or their representatives. Audits of these programs for the year ended September 30, 2021, have not been conducted. Accordingly, the City's compliance with applicable grant and contract requirements will be established at some future date. The City expects that costs disallowed by these various awarding agencies, if any, would be minimal.

Note 14: Litigation

From time to time, the City is involved in litigation in the ordinary course of business. City management considers the likelihood of any material liability resulting from this litigation to be remote.

Note 15: UTRWD Contractual Requirements

The City has entered into a Participating Member Contract with Upper Trinity Regional Water District (UTRWD) for the use of sewer capacity in the Northeast Regional Water Reclamation System (Doe Branch Plant). In return for the utilization of 600,000 gallons of capacity at the Doe Branch Plant, the City will pay annual facilities charges to UTRWD ranging from $550,209 to $837,728 beginning in FY 2016 and continuing through FY 2038.

Note 16: UTRWD Contractual Requirements (Continued)

The following is a summary of the City's contractual requirements for future payments under the agreements with UTRWD by year for next five years and in total thereafter:

Year Ending September 30,	Annual Requirement
2022	$ 837,728
2023	835,698
2024	835,698
2025	835,698
2026	835,698
Thereafter	9,276,133
Total required	$ 13,456,653

Life Connected.

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Required Supplementary Information

Life Connected.

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City of Celina, Texas

Schedule of Changes in Net Pension Liability (Asset) and Related Ratios

Last Seven Fiscal Years

	2020	2019	2018	2017	2016	2015	2014
Total Pension Liability							
Service Cost	$ 1,587,716	$ 1,389,740	$ 1,074,389	$ 760,238	$ 634,724	$ 477,763	$ 349,532
Interest (on the Total Pension Liability)	653,756	532,994	434,173	356,068	297,354	246,793	204,236
Changes of benefit terms	-	-	-	-	-	-	-
Difference between expected and actual experience	(39,432)	(31,250)	6,080	(3,776)	(42,188)	(33,873)	11,213
Change of assumptions	-	(150)	-	-	-	164,970	-
Benefit payments, including refunds of employee contributions	(137,309)	(265,215)	(151,399)	(73,590)	(92,022)	(16,986)	(25,289)
Net Change in Total Pension Liability	2,064,731	1,626,119	1,363,243	1,038,940	797,868	838,667	539,692
Total Pension Liability – Beginning	8,960,064	7,333,945	5,970,702	4,931,762	4,133,894	3,295,227	2,755,535
Total Pension Liability – Ending	$ 11,024,795	$ 8,960,064	$ 7,333,945	$ 5,970,702	$ 4,931,762	$ 4,133,894	$ 3,295,227
Plan Fiduciary Net Position							
Contributions – employer	$ 772,210	$ 650,019	$ 504,822	$ 357,923	$ 241,159	$ 188,960	$ 96,209
Contributions – employee	835,640	717,947	558,331	393,323	325,261	258,850	201,034
Net Investment income	705,428	1,095,951	(190,540)	691,169	285,732	5,594	190,520
Benefit payments, including refunds of employee contributions	(137,309)	(265,215)	(151,399)	(73,590)	(92,022)	(16,986)	(25,289)
Administrative expense	(4,545)	(6,169)	(3,673)	(3,576)	(3,223)	(3,406)	(1,988)
Other	(177)	(185)	(191)	(181)	(174)	(168)	(163)
Net Change in Plan Fiduciary Net Position	2,171,246	2,192,348	717,350	1,365,068	756,733	432,844	460,323
Plan Fiduciary Net Position – Beginning	9,254,013	7,061,665	6,344,315	4,979,247	4,222,514	3,789,670	3,329,347
Plan Fiduciary Net Position – Ending	$ 11,425,259	$ 9,254,013	$ 7,061,665	$ 6,344,315	$ 4,979,247	$ 4,222,514	$ 3,789,670
Net Pension Liability (Asset) – Ending	$ (400,464)	$ (293,949)	$ 272,280	$ (373,613)	$ (47,485)	$ (88,620)	$ (494,443)
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	103.63%	103.28%	96.29%	106.26%	100.96%	102.14%	115.00%
Covered Payroll	$ 11,937,718	$ 10,256,387	$ 7,976,159	$ 5,618,903	$ 4,646,591	$ 3,697,854	$ 2,871,910
Net Pension Liability (Asset) as a Percentage of Covered Payroll	-3.35%	-2.87%	3.41%	-6.65%	-1.02%	-2.40%	-17.22%

The information in this schedule has been determined as of the measurement date (December 31) of the City's net pension liability and is intended to show information for 10 years. However, until a full 10-year trend is compiled in accordance with the provision of GASB 68, only periods for which such information is available are presented.

City of Celina, Texas
Schedule of Contributions
Last Seven Fiscal Years

	2021	2020	2019	2018	2017	2016	2015
Actuarially determined contribution	$ 796,174	$ 772,301	$ 624,122	$ 459,895	$ 324,728	$ 237,763	$ 162,349
Contributions in relation to the actuarially determined contribution	796,174	772,301	624,122	459,895	324,728	237,763	162,349
Contributions deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Covered payroll	$ 12,371,440	$ 11,996,779	$ 9,844,203	$ 7,245,746	$ 5,230,520	$ 4,486,771	$ 3,388,197
Contributions as a percentage of covered payroll	6.44%	6.44%	6.34%	6.35%	6.21%	5.30%	4.79%

Schedule Notes:

Valuation Dates:

Notes	Actuarially determined contribution rates are calculated as of December 31 and become effective in January, 13 months later.

Methods and Assumptions Used to Determine Contribution Rates:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Percentage of Payroll, Closed
Remaining Amortization Period	N/A
Asset Valuation Method	10 year smoothed market; 12% soft corridor
Inflation	2.50%
Salary Increases	3.50% to 11.50% including inflation
Investment Rate of Return	6.75%
Retirement Age	Experience-based table of rates that are specific to the City's plan of benefits. Last updated for the 2019 valuation pursuant to an experience study of the period 2014 - 2018
Mortality	Post-retirement: 2019 Municipal Retirees of Texas Mortality Tables. The rates are projected on a fully generational basis with scale UMP. Pre-retirement: PUB(10) mortality tables, with the Public Safety table used for males and the General Employee table used for females. The rates are projected on a fully generational basis with scale UMP.

Other Information:

Notes	There were no benefit changes during the year.

The information in this schedule has been determined as of the City's most recent fiscal year-end and is intended to show information for 10 years. However, until a full 10-year trend is compiled in accordance with the provision of GASB 68, only periods for which such information is available are presented.

City of Celina, Texas
Schedule of Changes in Total OPEB Liability and Related Ratios
Last Four Fiscal Years

	Actuarial Valuation & Measurement Date December 31,			
	2020	2019	2018	2017
Total OPEB Liability				
Service cost	$ 35,813	$ 21,538	$ 19,940	$ 12,362
Interest on the total OPEB liability	4,149	3,527	2,646	2,074
Changes of benefit terms	-	-	-	-
Difference between expected and actual experience	(3,930)	(5,434)	155	-
Changes in assumptions or other inputs	33,718	30,162	(8,000)	6,931
Benefit payments	(1,194)	(1,026)	-	-
Net Change in Total OPEB Liability	68,556	48,767	14,741	21,367
Total OPEB Liability – Beginning	133,565	84,798	70,057	48,690
Total OPEB Liability – Ending	$ 202,121	$ 133,565	$ 84,798	$ 70,057
Covered Payroll	$ 11,937,718	$ 10,256,387	$ 7,976,159	$ 5,618,903
Total OPEB Liability as a Percentage of Covered Payroll	1.69%	1.30%	1.06%	1.25%

Schedule Notes:

Plan information:

Single-employer unfunded OPEB plan	There are no assets accumulated in a trust that meets the criteria in GASB Statement No.75 paragraph four to pay related benefits.

Changes of assumptions:

Changes of assumptions and other inputs reflect the effects of changes inthe discount rate each period. The following are the discount rates used in each period:

2017	3.31%
2018	3.71%
2019	2.75%
2020	2.00%

Actuarial Valuation & Measurement Date:	December 31

Significant actuarial assumptions used to measure the total OPEB liability:

Inflation	2.50%
Salary Increases	3.50% to 11.50%, including inflation
Discount Rate	2.00% (Based on Fidelity Index's "20-year Municipal GO AA Index" rate as of 12/31/20). 2.75% in prior year.
Retiree's Share of Benefit-related Costs	$0
Administrative expenses	All administrative expenses are paid through the Pension Trust and accounted for under reporting requirements under GASB Statement No.68
Mortality - Service Retirees	2019 Municipal Retirees of Texas Mortality Tables. The rates are projected on a fully generational basis with scale UMP.
Mortality - Disabled Retirees	2019 Municipal Retirees of Texas Mortality Tables with a 4 year set forward for males and a 3 year set-forward for females. In addition, a 3.5% and 3% minimum mortality rate will be applied to reflect the impairment for younger members who become disabled for males and females, respectively. The rates are projected on a fully generational basis by Scale UMP to account for future mortality improvements subject to the floor.

*Due to the SDBF being considered an unfunded OPEB plan under GASB 75, benefit payments are treated as being equal to the employer's yearly contributions for retirees.

The information in this schedule has been determined as of the measurement date (December 31) of the City's total OPEB liability and is intended to show information for 10 years. However, until a full 10-year trend is compiled in accordance with the provision of GASB 75, only periods for which such information is available are presented.

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Combining and Individual Fund Financial Statements and Schedules

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Major Governmental Funds

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Major Governmental Funds

Debt Service Fund

Capital Projects Funds

Debt Service Fund – accounts for the accumulation of financial resources for the payment of principal and interest on the City's general obligation debt. The City annually levies ad valorem taxes restricted for the retirement of general obligation bonds, capital leases, and interest. This fund reports all such ad valorem taxes collected.

Street Construction Fund – accounts for the financing and acquisition of major capital street projects. Fund resources are provided primarily through bond sales and interest earnings. This major governmental fund does not have a legally adopted budget.

Parkland Fees Fund – accounts for the financing and acquisition of major capital park projects. Fund resources are provided primarily through developer park contributions and grants.

Bond Fund – to account for the acquisition or construction of streets and other capital projects being financed through bond proceeds, or transfers from other funds.

Life Connected.

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City of Celina, Texas
Budgetary Comparison Schedule (GAAP Basis)
Debt Service Fund
For the Year Ended September 30, 2021

	Budgeted Amounts			
	Original	Final	Actual	Variance with Final Budget-Positive (Negative)
Revenues				
Property Tax	$ 4,385,480	$ 4,385,480	$ 4,515,868	$ 130,388
Interest	60,000	60,000	28,759	(31,241)
Total revenues	4,445,480	4,445,480	4,544,627	99,147
Expenditures				
Principal	2,545,000	2,545,000	3,340,200	(795,200)
Interest and Fiscal Charges	2,063,666	2,063,666	2,012,300	51,366
Bond issuance cost	-	-	106,899	(106,899)
Total expenditures	4,608,666	4,608,666	5,459,399	(850,733)
Excess (deficiency) of revenues over (under) expenditures	(163,186)	(163,186)	(914,772)	(751,586)
Other Financing Sources (Uses)				
Bond premium	-	-	650,173	650,173
Issuance of refunding bonds	-	-	7,290,000	7,290,000
Payments to refunding bond escrow agent	-	-	(7,882,414)	(7,882,414)
Transfers in (out)	-	-	795,200	795,200
Total Other Financing Sources (Uses)	-	-	852,959	852,959
Net Change in Fund Balance	(163,186)	(163,186)	(61,813)	101,373
Fund Balance, Beginning of Year	2,228,648	2,228,648	2,228,648	-
Fund Balance, End of Year	$ 2,065,462	$ 2,065,462	$ 2,166,835	$ 101,373

City of Celina, Texas
Budgetary Comparison Schedule (GAAP Basis)
Parkland Fees Fund
For the Year Ended September 30, 2021

	Budgeted Amounts			
	Original	Final	Actual	Variance with Final Budget-Positive (Negative)
Revenues				
Park Fees	$ 1,050,000	$ 2,225,216	$ 5,295,776	$ 3,070,560
Interest	50,000	50,000	42,242	(7,758)
Developer revenue	-	2,304,137	2,304,137	-
Intergovernmental	1,500,000	1,500,000	1,500,000	-
Total revenues	2,600,000	6,079,353	9,142,155	3,062,802
Expenditures				
Parks and Recreation	-	-	202,000	(202,000)
Capital Outlay	1,550,000	5,216,853	4,707,752	509,101
Total expenditures	1,550,000	5,216,853	4,909,752	307,101
Excess (deficiency) of revenues over (under) expenditures	1,050,000	862,500	4,232,403	3,369,903
Other Financing Sources (Uses) – Transfers Out	-	2,612,500	(2,612,500)	(5,225,000)
Total other financing sources (uses)	-	2,612,500	(2,612,500)	(5,225,000)
Net Change in Fund Balance	1,050,000	3,475,000	1,619,903	(1,855,097)
Fund Balance, Beginning of Year	3,132,006	3,132,006	3,132,006	-
Fund Balance, End of Year	$ 4,182,006	$ 6,607,006	$ 4,751,909	$ (1,855,097)

City of Celina, Texas
Budgetary Comparison Schedule (GAAP Basis)
Bond Fund
For the Year Ended September 30, 2021

	Budgeted Amounts			
	Original	Final	Actual	Variance with Final Budget- Positive (Negative)
Revenues				
Other Income	$ -	$ -	$ -	$ -
Interest	400,000	400,000	60,559	(339,441)
Total revenues	400,000	400,000	60,559	(339,441)
Expenditures				
Capital outlay	17,934,885	17,934,885	20,596,629	(2,661,744)
Bond issuance cost	-	-	721,303	(721,303)
Total expenditures	17,934,885	17,934,885	21,317,932	(3,383,047)
Excess (deficiency) of revenues over (under)	(17,534,885)	(17,534,885)	(21,257,373)	(3,722,488)
Other Financing Sources (Uses)				
Issuance of bonds	-	-	60,285,000	60,285,000
Bond premium	-	-	5,945,277	5,945,277
Transfers in (out)	-	-	(1,229,720)	(1,229,720)
Total Other Financing Sources (Uses)	-	-	65,000,557	65,000,557
Net Change in Fund Balance	(17,534,885)	(17,534,885)	43,743,184	61,278,069
Fund Balance, Beginning of Year	9,651,090	9,651,090	9,651,090	-
Fund Balance, End of Year	$ (7,883,795)	$ (7,883,795)	$ 53,394,274	$ 61,278,069

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Nonmajor Governmental Funds

Nonmajor Governmental Funds

Roadway Impact Fees Fund – is used to account for fees paid by developers for construction of streets under the Roadway Impact Fees ordinance.

Capital Equipment Replacement Fund – to account for public safety capital replacements including vehicles and equipment.

Capital Acquisition Fund – established as a reserve fund for capital and smaller infrastructure needs. Funding is from transfers in from the General Fund.

Roadway Capital Recovery Fees Fund – to account for roadway capital recovery fees paid by developers to the City for roadway construction.

Technology Fund – to account for technology infrastructure improvements and computer hardware/software needs. Source of funding is from developer fees when obtaining building permits.

Stabilization Fund – Established to help the City maintain resiliency by ensuring adequate balance to cash flow requirements during economic turbulence.

Developer Capital Fees Fund – to account for Developer Fees paid to build capital projects per the agreements.

Court Special Revenue Fund – to account for the restricted Court fees to be used to pay for technology expenses and security expenses specific to the Court.

Other Special Revenue Funds – to account for various grants, PEG fees, Law Enforcement, and Contributions/Donations to the City.

City of Celina, Texas
Combining Balance Sheet (Continued)
Other Governmental Funds
September 30, 2021

	Roadway Impact Fees	Capital Equipment Replacement	Capital Acquisition	Roadway Capital Recovery Fees	Technology	Stabilization
Assets						
Cash and cash equivalents	$ 3,115,497	$ 4,491,390	$ 1,159,085	$ 6,339,075	$ 548,150	$ 1,002,835
Accounts receivable	-	-	-	-	-	-
Total assets	$ 3,115,497	$ 4,491,390	$ 1,159,085	$ 6,339,075	$ 548,150	$ 1,002,835
Liabilities						
Accounts payable	$ 56,047	$ 515,308	$ 38,489	384,469	$ -	$ -
Total liabilities	$ 56,047	$ 515,308	$ 38,489	$ 384,469	$ -	$ -
Fund Balances						
Restricted for						
Capital projects	$ 3,059,450	$ -	$ -	$ 5,954,606	$ -	$ -
Law enforcement	-	-	-	-	-	-
Courts	-	-	-	-	-	-
Grants	-	-	-	-	-	-
PEG	-	-	-	-	-	-
Hotel	-	-	-	-	-	-
Technology	-	-	-	-	548,150	-
Assigned	-	3,976,082	1,120,596	-	-	1,002,835
Total fund balances	3,059,450	3,976,082	1,120,596	5,954,606	548,150	1,002,835
Total liabilities and fund balances	$ 3,115,497	$ 4,491,390	$ 1,159,085	$ 6,339,075	$ 548,150	$ 1,002,835

City of Celina, Texas
Combining Balance Sheet (Continued)
Other Governmental Funds
September 30, 2021

Developer Capital Fees	Court Special Revenue	Other Special Revenue Funds	Total Nonmajor Governmental Funds
$ 1,426,700	$ 131,949	$ 760,563	$ 18,975,244
-	-	8,457	8,457
$ 1,426,700	$ 131,949	$ 769,020	$ 18,983,701
$ -	$ -	$ 11,866	$ 1,006,179
$ -	$ -	$ 11,866	$ 1,006,179
$ 1,426,700	$ -	$ 550,494	$ 10,991,250
-	-	36,620	36,620
-	131,949	-	131,949
-	-	12,955	12,955
-	-	58,548	58,548
-	-	14,835	14,835
-	-	-	548,150
-	-	83,702	6,183,215
1,426,700	131,949	757,154	17,977,522
$ 1,426,700	$ 131,949	$ 769,020	$ 18,983,701

City of Celina, Texas

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances (Continued)

Other Governmental Funds

September 30, 2021

	Roadway Impact Fees	Capital Equipment Replacement	Capital Acquisition	Roadway Capital Recovery Fees	Technology	Stabilization
Revenues						
Special events and donations	$ -	$ -	$ -	$ -	$ -	$ -
Impact and capital recovery fees	1,609,667	-	-	3,762,837	-	-
Other income	-	-	-	376,315	587,000	-
Interest	16,399	27,419	9,096	22,080	2,891	2,835
Federal, state, and local grants	-	-	461,550	-	-	-
Total revenues	1,626,066	27,419	470,646	4,161,232	589,891	2,835
Expenditures						
Current						
Administration	-	-	75,133	-	217,400	-
Development services	-	-	-	-	-	-
Public works	262,693	-	262,385	-	-	-
Police department	-	-	-	-	-	-
Main street project	-	-	-	-	-	-
Capital Outlay	280,610	885,417	1,782,221	1,192,281	-	-
Total expenditures	543,303	885,417	2,119,739	1,192,281	217,400	-
Excess (deficiency) of revenues over (under) expenditures	1,082,763	(857,998)	(1,649,093)	2,968,951	372,491	2,835
Other Financing Sources (Uses)						
Transfers in	-	635,725	786,500	1,400,000	-	500,000
Transfers out	-	(90,107)	-	-	-	-
Total other financing sources (uses)	-	545,618	786,500	1,400,000	-	500,000
Net Change in Fund Balances	1,082,763	(312,380)	(862,593)	4,368,951	372,491	502,835
Fund Balances, Beginning of Year	1,976,687	4,288,462	1,983,189	1,585,655	175,659	500,000
Fund Balances, End of Year	$ 3,059,450	$ 3,976,082	$ 1,120,596	$ 5,954,606	$ 548,150	$ 1,002,835

See auditor's report on supplementary information

City of Celina, Texas

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances (Continued)

Other Governmental Funds

September 30, 2021

Developer Capital Fees	Court Special Revenue	Other Special Revenue Funds	Total Nonmajor Governmental Funds
$ -	$ -	$ 81,554	$ 81,554
1,057,061	-	-	6,429,565
-	8,971	422,550	1,394,836
3,090	859	4,492	89,161
-	-	404,772	866,322
1,060,151	9,830	913,368	8,861,438
-	873	118,060	411,466
857,526	-	-	857,526
-	-	-	525,078
-	-	31,846	31,846
-	-	75,898	75,898
-	-	-	4,140,529
857,526	873	225,804	6,042,343
202,625	8,957	687,564	2,819,095
1,212,500	-	-	4,534,725
-	-	(396,062)	(486,169)
1,212,500	-	(396,062)	4,048,556
1,415,125	8,957	291,502	6,867,651
11,575	122,992	465,652	11,109,871
$ 1,426,700	$ 131,949	$ 757,154	$ 17,977,522

Discretely Presented Component Units

Financial Statements

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City of Celina, Texas
Balance Sheet – Celina Economic Development Corporation
Discretely Presented Component Unit
September 30, 2021

Assets	
Cash and cash equivalents	$ 1,965,679
Sales taxes receivable	316,760
Total assets	2,282,439
Liabilities	
Accounts payable	78,993
Accrued payroll	12,893
Total liabilities	91,886
Fund Balance	
Restricted for economic development	2,190,553
Total fund balance	$ 2,190,553
Amounts reported for governmental activities in the statement of net position are different because:	
Long-term liabilities are not due and payable in the current period, and therefore, are not reported in the funds.	(759,985)
Net position of governmental activities	$ 1,430,568

City of Celina, Texas

Statement of Revenues, Expenditures and Changes in Fund Balance

Celina Economic Development Corporation

Discretely Presented Component Units

Year Ended September 30, 2021

Revenues	
Sales taxes	$ 1,434,395
Miscellaneous	3,000
Unrestricted investment earnings	26,326
Total general revenues	1,463,721
Expenditures	
Economic development	587,254
Total expenditures	587,254
Other Financing Uses	
Intergovernmental contributions	128,661
Total other financing sources	128,661
Change in Fund Balance	1,005,128
Fund Balance – Beginning of Year	1,185,425
Fund Balance – End of Year	$ 2,190,553
Amounts reported for governmental activities in the statement of activities are different because:	
Net change in fund balance	1,005,128
Repayment of debt is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position	74,304
Change in net position of governmental activities	$ 1,079,432

City of Celina, Texas
Balance Sheet - Celina Community Development Corporation
Discretely Presented Component Units
September 30, 2021

Assets	
Cash and cash equivalents	$ 2,474,323
Sales taxes receivable	316,760
Total assets	2,791,083
Fund Balance	
Restricted for economic development	2,791,083
Total fund balance	$ 2,791,083

City of Celina, Texas

Statement of Revenues, Expenditures and Changes in Fund Balance

Celina Community Development Corporation

Discretely Presented Component Units

Year Ended September 30, 2021

Revenues		
Sales taxes	$	1,434,395
Unrestricted investment earnings		10,761
Total general revenues		1,445,156
Expenditures		
Community development		-
Total expenditures		-
Change in Fund Balance		1,445,156
Fund Balance – Beginning of Year		1,345,927
Fund Balance – End of Year	$	2,791,083

Statistical Section (Unaudited)

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Statistical Section

This section of the City of Celina's Annual Comprehensive Financial Report presents detailed information as a context for understanding what the information in the financial statements, notes disclosures, and required supplementary information says about the City's overall financial health. This information has not been audited by the independent auditor.

Contents	**Table Numbers**
Financial Trends These tables contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	1-5
Revenue Capacity These tables contain information to help the reader assess the City's two most significant revenue sources-property and sales taxes.	6-9
Debt Capacity These tables present information to help the reader assess the affordability of the City's current level of outstanding debt and the City's ability to issue additional debt in the future.	10-14
Economic and Demographic Information These tables offer economic and demographic indicators to help the reader understand the environment within which the City's financial activities take place.	15-16
Operating Information These tables contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides.	17-19

Source: Unless otherwise noted, the information in these tables is derived from the City's past audit reports for the relevant year.

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City of Celina, Texas
Net Position by Component
Last Ten Fiscal Years
(Accrual Basis of Accounting)
(Unaudited)

Table 1

	Fiscal Year									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Governmental Activities										
Net Investment in capital assets	$ 5,724,939	$ 7,800,853	$ 7,667,954	$ 8,693,312	$ 13,138,978	$ 13,184,763	$ 32,376,605	$ 20,672,418	$ 51,424,407	$ 83,742,420
Restricted	3,895,476	2,560,845	4,535,511	4,675,044	5,340,173	5,848,514	6,361,057	3,979,639	4,925,334	9,345,627
Unrestricted	742,974	2,086,188	3,900,225	6,325,979	7,893,951	11,575,127	10,218,998	30,927,875	25,553,066	32,577,064
Total governmental activities net position	10,363,389	12,447,886	16,103,690	19,694,335	26,373,102	30,608,404	48,956,660	55,579,932	81,902,807	125,665,111
Business-type Activities										
Net Investment in capital assets	6,717,653	7,485,220	9,589,572	11,575,656	12,078,113	13,079,265	18,675,162	30,124,340	54,394,479	55,835,300
Restricted	-	-	-	-	-	-	-	-	44,092	56,065
Unrestricted	344,272	887,007	1,103,837	2,120,144	1,733,702	3,171,397	5,862,371	10,028,343	16,804,092	50,683,069
Total business-type activities net position	7,061,925	8,372,227	10,693,409	13,695,800	13,811,815	16,250,662	24,537,533	40,152,683	71,242,663	106,574,434
Primary Government										
Net Investment in capital assets	12,442,592	15,286,073	17,257,526	20,268,968	25,217,091	26,264,028	51,051,767	50,796,758	105,818,886	139,577,720
Restricted	3,895,476	2,560,845	4,535,511	4,675,044	5,340,173	5,848,514	6,361,057	3,979,639	4,969,426	9,401,692
Unrestricted	1,087,246	2,973,195	5,004,062	8,446,123	9,627,653	14,746,524	16,081,369	40,956,218	42,357,158	83,260,133
Total primary government net position	$ 17,425,314	$ 20,820,113	$ 26,797,099	$ 33,390,135	$ 40,184,917	$ 46,859,066	$ 73,494,193	$ 95,732,615	$ 153,145,470	$ 232,239,545

City of Celina, Texas
Changes in Net Position
Last Ten Fiscal Years
(Accrual Basis of Accounting)
(Unaudited)

Table 2

	Fiscal Year				
	2012	2013	2014	2015	2016
Expenses					
Governmental activities					
Administration	$ 799,116	$ 950,109	$ 1,203,576	$ 1,170,613	$ 1,592,794
Judicial	70,066	79,863	88,531	84,853	102,803
Fire and emergency services	1,176,359	1,541,465	1,213,416	1,453,477	1,957,077
Development services	472,329	417,119	708,220	529,067	683,599
Public works	366,560	515,098	725,922	824,527	1,080,661
Police Department	749,274	803,634	806,191	1,114,266	1,532,829
Parks and Recreation	503,298	556,654	448,202	886,212	1,084,077
Library	126,116	134,625	134,815	140,104	152,664
Infrastructure	207,097	203,273	202,699	198,868	211,300
Bond issuance costs	99,726	135,388	26,869	70,510	65,279
Main street program	-	399,992	72,326	-	-
Interest and fiscal charges	358,718	457,748	585,469	635,090	710,249
Total governmental activities expenses	4,928,659	6,194,968	6,216,236	7,107,587	9,173,332
Business Type Activities					
Water, sewer and sanitation services	3,572,057	3,464,334	3,496,782	4,284,806	8,508,496
Total business-type activities expenses	3,572,057	3,464,334	3,496,782	4,284,806	8,508,496
Total primary government expenses	8,500,716	9,659,302	9,713,018	11,392,393	17,681,828
Program Revenues					
Governmental activities					
Charges for services	1,042,829	1,113,468	2,082,694	3,755,293	4,265,112
Operating grants/contributions	231,301	-	61,432	214,115	368,784
Capital grants/contributions	-	2,344,763	2,403,093	625,237	2,578,809
Total governmental activities program revenues	1,274,130	3,458,231	4,547,219	4,594,645	7,212,705
Business-type Activities					
Charges for services					
Water, sewer and sanitation services	4,377,926	4,781,510	6,154,311	7,518,331	10,057,113
Capital grants/contributions	-	-	-	45,289	800,100
Total business-type activities program revenues	4,377,926	4,781,510	6,154,311	7,563,620	10,857,213
Total primary governmental program revenues	5,652,056	8,239,741	10,701,530	12,158,265	18,069,918
Net (Expense) Revenues					
Governmental activities	(3,654,529)	(2,736,737)	(1,668,747)	(2,512,942)	(1,960,627)
Business-type activities	875,869	1,317,176	2,657,529	3,278,811	2,348,717
Total primary government program revenues net expenses	(2,778,660)	(1,419,561)	988,782	765,869	388,090
General Revenues and Other Changes in Net Position					
Governmental Activities					
Taxes					
Ad valorem	3,021,800	3,129,835	3,333,015	3,739,841	4,458,401
Sales	338,053	384,289	505,221	603,949	733,881
Franchise	299,999	325,167	320,805	364,763	429,102
Other	479,886	636,943	817,733	438,820	671,241
Transfers	95,000	345,000	348,050	395,000	2,346,769
Contributions from component unit	-	-	-	-	-
Total governmental activities	4,234,738	4,821,234	5,324,824	5,542,373	8,639,394
Business-type activities					
Other	28,306	38,126	11,703	39,470	114,067
Transfers	(95,000)	(325,000)	(348,050)	(395,000)	(2,346,769)
Total business-type activities	(66,694)	(286,874)	(336,347)	(355,530)	(2,232,702)
Total primary governmental revenues	4,168,044	4,534,360	4,988,477	5,186,843	6,406,692
Changes in Net Position					
Governmental activities	580,209	2,084,497	3,656,077	3,029,431	6,678,767
Business-type activities	809,175	1,030,302	2,321,182	2,923,281	116,015
Total primary government program net expenses	$ 1,389,384	$ 3,114,799	$ 5,977,259	$ 5,952,712	$ 6,794,782

City of Celina, Texas
Changes in Net Position
Last Ten Fiscal Years
(Accrual Basis of Accounting)
(Unaudited)

Table 2 (Continued)

	Fiscal Year				
	2017	2018	2019	2020	2021
Expenses					
Governmental activities					
Administration	$ 2,624,918	$ 3,305,724	$ 3,613,202	$ 4,676,077	$ 5,295,666
Judicial	155,521	173,809	169,960	166,725	204,724
Fire and emergency services	2,414,778	2,898,525	4,516,435	5,406,951	5,912,755
Development services	887,990	1,812,852	2,844,946	6,177,019	7,529,485
Public works	1,104,523	5,760,436	1,625,818	2,888,942	2,636,498
Police Department	1,877,574	2,598,590	3,219,436	3,729,439	4,627,454
Parks and Recreation	1,263,538	1,284,123	1,480,614	1,853,913	1,886,673
Library	169,326	230,781	231,803	252,721	244,058
Infrastructure	353,119	823,826	1,010,684	-	-
Bond issuance costs	55,176	59,285	61,612	-	828,202
Main street program	-	-	1,953,396	142,972	75,898
Interest and fiscal charges	787,001	840,645	-	1,752,515	1,492,701
Total governmental activities expenses	11,693,464	19,788,596	20,727,906	27,047,274	30,734,113
Business Type Activities					
Water, sewer and sanitation services	10,811,473	12,887,075	14,811,593	17,188,107	19,876,311
Total business-type activities expenses	10,811,473	12,887,075	14,811,593	17,188,107	19,876,311
Total primary government expenses	22,504,937	32,675,671	35,539,499	44,235,381	50,610,424
Program Revenues					
Governmental Activities					
Charges for Services	6,391,343	7,865,830	11,837,197	13,048,290	25,842,056
Operating Grants/Contributions	356,258	201,610	1,291,079	2,764,624	3,636,696
Capital Grants/Contributions	1,011,625	20,365,689	180,890	15,870,800	19,822,044
Total Governmental Activities Program Revenues	7,759,226	28,433,129	13,309,166	31,683,714	49,300,796
Business-type Activities					
Charges for services					
Water, sewer and sanitation services	13,590,654	16,506,407	21,133,549	26,722,197	41,304,183
Capital grants/contributions	-	3,432,870	-	23,622,709	13,904,905
Total business-type activities program revenues	13,590,654	19,939,277	21,133,549	50,344,906	55,209,088
Total primary governmental program revenues	21,349,880	48,372,406	34,442,715	82,028,620	104,509,884
Net (Expense) Revenues					
Governmental activities	(3,934,238)	8,644,533	(7,418,740)	4,636,440	18,566,683
Business-type activities	2,779,181	7,052,202	6,321,956	33,156,799	35,332,777
Total primary government program revenues net expenses	(1,155,057)	15,696,735	(1,096,784)	37,793,239	53,899,460
General Revenues and Other Changes in Net Position					
Governmental Activities					
Taxes					
Ad valorem	5,362,919	7,464,462	9,856,619	10,679,289	12,892,450
Sales	958,350	1,150,663	1,248,168	1,823,693	2,652,260
Franchise	370,949	420,352	516,777	602,603	602,037
Other	985,322	1,613,911	2,027,855	4,654,145	8,714,771
Transfers	492,000	(907,706)	527,000	2,752,921	334,103
Contributions from component unit	-	-	-	1,173,784	-
Total governmental activities	8,169,540	9,741,682	14,176,419	21,686,435	25,195,621
Business-type activities					
Other	151,666	332,227	1,124,765	686,102	333,097
Transfers	(492,000)	907,706	(527,000)	(2,752,921)	(334,103)
Total business-type activities	(340,334)	1,239,933	597,765	(2,066,819)	(1,006)
Total primary governmental revenues	7,829,206	10,981,615	14,774,184	19,619,616	25,194,615
Changes in Net Position					
Governmental activities	4,235,302	18,386,215	6,757,679	26,322,875	43,762,304
Business-type activities	2,438,847	8,292,135	6,919,721	31,089,980	35,331,771
Total primary government program net expenses	$ 6,674,149	$ 26,678,350	$ 13,677,400	$ 57,412,855	$ 79,094,075

City of Celina, Texas

Government Activities – Tax Revenues by Source
Last Ten Fiscal Years
(Accrual Basis of Accounting)
(Unaudited)

Table 3

Fiscal Year	Property Tax	Sales Tax	Franchise Tax	Total
2012	$ 3,019,885	$ 338,053	$ 299,999	$ 3,657,937
2013	$ 3,154,251	$ 384,289	$ 325,167	$ 3,863,707
2014	$ 3,314,591	$ 505,221	$ 320,805	$ 4,140,617
2015	$ 3,754,816	$ 603,949	$ 364,763	$ 4,723,528
2016	$ 4,453,862	$ 733,881	$ 429,102	$ 5,616,845
2017	$ 5,374,888	$ 958,350	$ 370,949	$ 6,704,187
2018	$ 7,454,528	$ 1,150,663	$ 420,352	$ 9,025,543
2019	$ 9,856,619	$ 1,248,168	$ 516,777	$ 11,621,564
2020	$ 10,679,289	$ 1,823,693	$ 602,603	$ 13,105,585
2021	$ 12,892,450	$ 2,652,260	$ 602,037	$ 16,146,747

City of Celina, Texas
Fund Balances – Governmental Funds
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)
(Unaudited)

Table 4

	Fiscal Year				
	2012	2013	2014	2015	2016
General Fund					
Nonspendable					
Prepaids	$ -	$ -	$ 20,784	$ 19,941	$ 2,230
Unassigned	1,684,945	2,187,130	3,037,176	4,585,888	7,130,005
Total general fund	$ 1,684,945	$ 2,187,130	$ 3,057,960	$ 4,605,829	$ 7,132,235
All Other Government Funds					
Nonspendable					
Prepaids & Inventory	$ -	$ -	$ -	$ -	$ -
Restricted for					
Debt Service	453,145	515,274	541,370	646,075	901,524
Capital Projects	2,309,071	6,144,848	10,880,463	7,021,861	7,083,988
Law Enforcement	-	-	-	-	-
Courts	-	-	-	-	-
Grants	-	-	-	-	-
PEG	-	-	-	-	-
Hotel	-	-	-	-	-
Technology	-	-	-	-	-
Assigned for use in specific funds	-	-	-	-	-
Unassigned	-	-	-	-	-
Total all other governmental funds	$ 2,762,216	$ 6,660,122	$ 11,421,833	$ 7,667,936	$ 7,985,512

City of Celina, Texas
Fund Balances – Governmental Funds
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)
(Unaudited)

Table 4(Continued)

	Fiscal Year				
	2017	2018	2019	2020	2021
General Fund					
Nonspendable					
Prepaids & Inventory	$ 3,013	$ 7,322	$ 14,827	$ 5,786	$ 227,911
Unassigned	6,562,842	8,903,854	10,924,630	8,860,057	16,328,612
Total general fund	$ 6,565,855	$ 8,911,176	$ 10,939,457	$ 8,865,843	$ 16,556,523
All Other Government Funds					
Nonspendable					
Prepaids & Inventory	$ -	$ -	$ -	$ -	$ 873,057
Restricted for					
Debt Service	1,369,343	1,813,530	2,497,665	2,228,648	2,166,835
Capital Projects	13,033,951	29,063,864	30,026,311	19,963,891	65,461,702
Law Enforcement	-	-	22,542	25,833	36,620
Courts	-	-	114,323	122,992	131,949
Grants	-	-	10,948	25,727	12,955
PEG	-	-	90,354	46,708	58,548
Hotel	-	-	-	12,823	14,835
Technology	-	-	-	-	548,150
Assigned for use in specific funds	-	-	7,973,971	9,269,049	10,935,124
Unassigned	168,342	623,156	58,548	58,548	-
Total all other governmental funds	$ 14,571,636	$ 31,500,550	$ 40,794,662	$ 31,754,219	$ 80,239,775

City of Celina, Texas

Changes in Fund Balances – Governmental Funds
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)
(Unaudited)

Table 5

	Fiscal Year			
	2012	2013	2014	2015
Revenues				
Property taxes	$ 3,019,885	$ 3,154,251	$ 3,314,591	$ 3,754,816
Franchise taxes	299,999	325,167	320,805	364,763
Sales taxes	338,053	384,289	505,221	603,949
Permits/inspection fees	340,547	455,454	1,321,510	1,767,856
Component unit contributions	340,000	320,000	170,000	320,000
Development fees	56,411	124,743	239,739	924,249
Developer contributions	-	-	-	-
Fire Department/EMS fees	244,505	174,678	196,753	241,005
Fines	186,302	197,248	155,962	254,370
Special events and donations	175,346	142,682	305,430	221,696
Park fees	85,111	161,345	169,000	602,626
Impact and capital recovery fees	-	-	-	-
Other income	120,005	85,140	296,867	92,349
Interest income	43,706	63,021	90,424	111,901
Grants	32,760	2,344,763	2,404,258	519,701
Total revenues	5,282,630	7,932,781	9,490,560	9,779,281
Expenditures				
Administration	774,209	870,419	1,106,865	1,133,574
Judicial	70,066	79,863	88,531	84,853
Fire and EMS	1,062,174	1,057,979	1,083,464	1,316,275
Development services	472,329	417,119	702,862	524,712
Public works	373,302	508,439	505,659	806,788
Police department	729,737	741,361	770,254	1,046,160
Parks and Rec	288,239	349,742	443,625	667,908
Library	126,116	134,625	135,315	140,857
Main street	99,726	135,388	26,869	70,510
Capital outlay	1,938,419	3,977,688	1,421,925	5,253,351
Debt service				
Principal retirement	363,145	500,525	510,445	678,366
Interest and fiscal charges	379,859	490,987	610,693	669,480
Bond issuance costs	159,933	399,992	72,326	-
Total expenditures	6,837,254	9,664,127	7,478,833	12,392,834
Excess (deficiency) of revenues over (under) expenditures	(1,554,624)	(1,731,346)	2,011,727	(2,613,553)
Other Financing Sources (Uses)				
Sales of Assets	30,403	26,100	15,279	12,525
Capital Leases	-	30,752	-	-
Bond premium	-	-	-	-
Issuance of refunding bonds	-	-	-	-
Payments to refunding bond escrow agent	-	-	-	-
Note/Bond Proceeds	4,146,558	5,719,585	3,257,485	-
Contributions from component unit	-	-	-	-
Capital contributions	-	-	-	-
Transfers in (out)	95,000	345,000	348,050	395,000
Total other financing sources (uses)	4,271,961	6,121,437	3,620,814	407,525
Net Changes in Fund Balances	$ 2,717,337	$ 4,390,091	$ 5,632,541	$ (2,206,028)

City of Celina, Texas

Changes in Fund Balances – Governmental Funds
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)
(Unaudited)

Table 5 (Continued)

	Fiscal Year				
	2017	2018	2019	2020	2021
Revenues					
Property taxes	$ 5,374,888	$ 7,454,528	$ 9,864,233	$ 10,747,355	$ 12,777,734
Franchise taxes	370,949	420,352	516,777	602,603	602,037
Sales taxes	958,350	1,150,663	1,248,168	1,823,693	2,652,260
Permits/inspection fees	3,959,914	5,982,027	6,716,762	8,643,113	16,190,503
Component unit contributions	200,000	200,000	360,000	-	-
Development fees	1,245,943	119,344	110,486	232,805	2,737,506
Developer contributions	-	-	180,890	119,478	111,126
Fire Department/EMS fees	817,691	1,031,818	1,075,263	1,627,366	1,214,615
Fines	209,806	142,332	137,299	138,339	95,995
Special events and donations	250,214	165,188	129,814	131,482	281,433
Park fees	1,178,028	1,624,159	2,855,844	2,343,250	5,295,776
Impact and capital recovery fees	-	-	-	-	6,429,565
Other income	508,311	1,427,017	1,765,739	3,643,263	1,918,669
Interest income	183,077	436,017	1,031,375	995,261	366,537
Grants	1,570	1,610	808,276	2,764,624	3,636,696
Total revenues	15,258,741	20,155,055	26,800,926	33,812,632	54,310,452
Expenditures					
Administration	2,433,180	3,036,201	3,451,032	4,252,519	4,561,954
Judicial	153,213	172,610	166,197	163,761	181,964
Fire and EMS	2,041,407	2,445,213	3,930,238	4,490,395	4,974,980
Development services	868,862	1,787,306	2,799,375	3,674,903	5,211,399
Public works	943,895	5,604,030	1,411,826	2,707,462	2,388,149
Police department	1,688,094	2,374,037	2,935,005	3,513,316	4,339,652
Parks and Rec	959,343	978,479	1,104,513	1,376,035	1,789,800
Library	165,768	230,090	229,797	245,418	242,967
Main street	55,176	59,285	61,612	62,944	75,898
Capital outlay	3,656,718	3,837,902	14,435,482	25,537,609	34,750,342
Debt service					
Principal retirement	1,005,685	1,436,110	2,028,202	2,912,011	3,340,200
Interest and fiscal charges	782,253	908,016	2,151,331	2,057,217	2,012,300
Bond issuance costs	74,569	146,002	-	-	828,202
Total expenditures	14,828,163	23,015,281	34,704,610	50,993,590	64,697,807
Excess (deficiency) of revenues over (under) expenditures	430,578	(2,860,226)	(7,903,684)	(17,180,958)	(10,387,355)
Other Financing Sources (Uses)					
Sales of Assets	634,597	-	-	-	-
Capital Leases	-	-	340,818	-	-
Bond premium	-	-	-	-	6,595,450
Issuance of refunding bonds	-	-	-	-	7,290,000
Payments to refunding bond escrow agent	-	-	-	-	(7,882,414)
Note/Bond Proceeds	4,462,569	23,042,167	18,014,140	-	60,285,000
Contributions from component unit	-	-	-	1,173,784	-
Capital contributions	-	-	-	140,196	-
Transfers in (out)	492,000	(907,706)	527,000	2,752,921	334,103
Total other financing sources (uses)	5,589,166	22,134,461	18,881,958	4,066,901	66,622,139
Net Changes in Fund Balances	$ 6,019,744	$ 19,274,235	$ 10,978,274	$ (13,114,057)	$ 56,234,784
Debt Service as a percentage of Non-Capital Expenditures	19.21%	14.05%	25.98%	19.52%	17.87%

City of Celina, Texas
Assessed Value of Taxable Property
(Per $100 Of Assessed Value)
Last Ten Fiscal Years (Unaudited)

Table 6

Fiscal Year	Land/Improvements	Personal Property	Less: Tax-Exempt Property	Total Taxable Assessed Value[a]
2012	$ 470,581,213	$ 23,777,505	$ 32,233,764	$ 462,124,954
2013	$ 492,268,497	$ 28,803,142	$ 38,276,037	$ 482,795,602
2014	$ 527,994,375	$ 25,373,941	$ 44,142,297	$ 509,226,019
2015	$ 575,171,296	$ 29,266,740	$ 48,889,169	$ 555,548,867
2016	$ 734,250,874	$ 34,259,626	$ 106,840,408	$ 661,670,092
2017	$ 951,809,128	$ 39,416,023	$ 117,402,829	$ 873,822,322
2018	$ 1,191,727,090	$ 49,306,703	$ 132,932,108	$ 1,108,101,685
2019	$ 1,641,821,879	$ 57,224,752	$ 194,483,109	$ 1,504,563,522
2020	$ 2,013,074,011	$ 71,064,516	$ 217,620,776	$ 1,866,517,751
2021	$ 2,518,491,508	$ 79,119,287	$ 288,467,439	$ 2,309,143,356

Source: Collin County Central Appraisal District and Denton County Appraisal District

Notes: Property is reassessed annually at actual value; therefore, the assessed values are equal to the actual values. Tax rates are per $100 of assessed value.

[a] Includes adjustments to certified rolls. Fiscal Year reports Certified Tax Report from prior calendar year

City of Celina, Texas

Direct and Overlapping Property Tax Rates
(Per $100 Of Assessed Value)
Last Ten Fiscal Years (Unaudited)

Table 7

	City Direct Rates			Overlapping Rates				
Fiscal Year	Operating/ General Rate	General Obligation Debt Service	Total Direct	Celina ISD	Prosper ISD	Collin County	Denton County	Collin County Community College
2012	0.5652	0.0798	0.6450	1.6400	1.6700	0.2400	0.2829	0.0863
2013	0.4755	0.1695	0.6450	1.6400	1.6700	0.2400	0.2849	0.0863
2014	0.4652	0.1834	0.6486	1.6400	1.6700	0.2375	0.2722	0.0836
2015	0.4327	0.2123	0.6450	1.6400	1.6700	0.2350	0.2620	0.0820
2016	0.4335	0.2115	0.6450	1.6400	1.6700	0.2250	0.2484	0.0820
2017	0.4233	0.2217	0.6450	1.6400	1.6700	0.2250	0.2378	0.0820
2018	0.4278	0.2172	0.6450	1.6400	1.6700	0.1922	0.2255	0.0798
2019	0.4537	0.1913	0.6450	1.6400	1.6700	0.1808	0.2253	0.0812
2020	0.4531	0.1919	0.6450	1.5489	1.5684	0.1750	0.2250	0.0812
2021	0.4294	0.2156	0.6450	1.4832	1.4927	0.1725	0.2331	0.0812

Source: Collin County Appraisal District and Denton County Appraisal District

City of Celina, Texas
Principal Property Tax Payers
Current Year and Nine Years Ago (Unaudited)
(Total $)

Table 8

	2021				2012		
Taxpayer	Taxable Assessed Value	Rank	Percentage of Taxable Assessed Value	Taxpayer	Taxable Assessed Value	Rank	Percentage of Taxable Assessed Value
Celina 682 Partners	$ 10,781,396	1	0.47%	FINI Enterprises Inc	$ 6,038,328	1	1.31%
Calatlantic Homes of Texas Inc	10,732,537	2	0.46%	Celina Town Center Ltd	4,813,898	2	1.04%
Highland Homes	9,132,831	3	0.40%	TXI Operations LP	4,042,876	3	0.87%
TXI Operations LP	8,399,361	4	0.36%	Thomas Clay	3,919,051	4	0.85%
First Texas Homes Inc	6,817,819	5	0.30%	Brookshire Grocery Co	3,916,538	5	0.85%
American Legend Homes	6,739,400	6	0.29%	Inner Circle	3,862,329	6	0.84%
Celina Town Center Ltd	6,674,286	7	0.29%	All Star Storage	3,617,588	7	0.78%
Tollway/Outer Loop LP	6,589,992	8	0.29%	289/Carter Ranch Retail Ltd	3,607,722	8	0.78%
CADG Ownsby Farms LLC	6,287,798	9	0.27%	Celina Real Estate LP	3,185,877	9	0.69%
Chemtrade Sulfate Chemicals, Inc	5,967,928	10	0.26%	BNSF RR Co	2,949,916	10	0.64%
Total	$ 78,123,348		3.38%	Total	$ 39,954,123		8.65%
Total Assessed Valuation	2,309,143,356				462,124,954		

Source: Collin County Appraisal District

Notes: Tax Payers are assessed on January 1, 2020 for the 2021 fiscal year and January 1, 2011 for the 2012 fiscal year.

The majority of the property taxes are collected in Collin County; therefore, those principal taxpayers are shown above.

City of Celina, Texas
Property Tax Levies and Collections
(Unaudited)

Table 9

Fiscal Year	Total Tax Levy for Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	% of Levy		Amount	% of Levy
2012	$ 3,030,270	$ 2,957,229	97.59%	$ 73,041	3,030,270	100.00%
2013	$ 3,165,953	$ 3,106,333	98.12%	$ 59,620	3,165,953	100.00%
2014	$ 3,324,379	$ 3,267,776	98.30%	$ 56,603	3,324,379	100.00%
2015	$ 3,776,218	$ 3,629,138	96.11%	$ 147,080	3,776,218	100.00%
2016	$ 4,483,759	$ 4,261,734	95.05%	$ 222,025	4,483,759	100.00%
2017	$ 5,579,944	$ 5,396,743	96.72%	$ 183,201	5,579,944	100.00%
2018	$ 7,659,627	$ 7,129,348	93.08%	$ 530,280	7,659,628	100.00%
2019	$ 10,770,158	$ 10,292,771	95.57%	$ 477,386	10,770,157	100.00%
2020	$ 12,058,075	$ 11,897,363	98.67%	$ 93,293	11,990,656	99.44%
2021	$ 14,855,572	$ 14,758,839	99.35%	$ -	14,758,839	99.35%

Source: Collin County Tax Assessor Collector and Denton County Tax Assessor Collector

Note: A portion of the above property tax goes toward repayment of Special Assessment Revenue Bonds related to the Public Improvement Districts (PID) and is not recorded on the City's financials.

City of Celina, Texas

Ratio of Outstanding Debt by Type Last Ten Fiscal Years

(Unaudited)

Table 10

	Governmental Activities					Business-Type Activities							
Fiscal Year	General Obligation Bonds	Certificate of Obligation	Capital Lease	Bond Premiums	Other Obligations	General Obligation Bonds	Certificate of Obligation	Bond Premiums	Other Obligations	Note Payable	Total Primary Government	% of Personal Income	Per Capita*
2012	784,184	11,013,120	-	-	44,859	5,771,762	2,566,258	-	-	-	20,180,183	5.68%	$ 3,250
2013	5,042,372	11,866,865	-	-	27,080	5,452,494	2,313,136	-	-	-	24,701,947	6.43%	$ 3,826
2014	4,952,607	14,531,170	-	-	12,228	5,127,393	4,393,829	-	-	-	29,017,227	6.98%	$ 4,321
2015	4,606,322	14,211,317	-	-	-	4,558,678	5,798,682	-	45,957	-	29,220,956	N/A	$ 4,184
2016	4,249,490	18,237,025	-	-	-	3,965,510	26,047,975	-	18,704	-	52,518,704	N/A	$ 6,836
2017	3,880,431	22,013,573	-	-	-	3,359,570	30,731,425	-	-	-	59,984,999	N/A	$ 5,818
2018	9,342,795	36,860,000	-	-	-	2,185,000	59,620,000	-	-	-	108,007,795	N/A	$ 8,251
2019	7,995,000	52,890,000	-	-	-	1,750,000	76,675,000	-	-	-	139,310,000	N/A	$ 7,880
2020	7,115,000	50,940,200	185,405	2,816,179	-	1,305,000	74,769,800	4,331,683	-	1,151,000	142,614,267	N/A	$ 6,655
2021	10,860,000	103,695,000	98,876	8,840,984	-	845,000	101,080,000	6,068,665	-	925,526	232,414,051	N/A	$ 9,225

Source: City of Celina Audit Reports
N/A - Information not available for the most current year

Notes: Details regarding the City's outstanding debt is found in the notes to the financial statements. Bond premiums and Capital Lease were included beginning in fiscal year 2020 and will be included on a go forward basis.

*See Table 15 for personal income and population data

City of Celina, Texas

Ratios of General Bonded Debt Outstanding Last Ten Fiscal Years
(Unaudited)

Table 11

Fiscal Year	Assessed Property Value (1)	Gross Bonded Debt (2)	% Bonded Debt to Assessed Property Value	Bonded Debt Per Capita
2012	$ 470,581,213	20,180,183	4.29%	$ 3,250
2013	$ 492,268,497	24,701,947	5.02%	$ 3,826
2014	$ 527,994,375	29,017,227	5.50%	$ 4,321
2015	$ 575,171,296	29,220,956	5.08%	$ 4,184
2016	$ 734,250,874	52,518,704	7.15%	$ 6,836
2017	$ 951,809,129	59,984,999	6.30%	$ 5,818
2018	$ 1,191,727,090	108,007,795	9.06%	$ 8,251
2019	$ 1,641,821,879	139,310,000	8.49%	$ 7,880
2020	$ 2,013,074,011	141,277,862	7.02%	$ 6,593
2021	$ 2,309,143,356	231,389,649	10.02%	$ 9,184

Source: (1) Collin County Appraisal District/Denton County Appraisal District

(2) Schedule of Bonds Payable and Total bonds for fiscal year

Notes: Details regarding the City's outstanding debt can be found in the notes to the financial statements. The amounts presented are net of bond premiums.

See Table 15 for population data.

City of Celina, Texas
Legal Debt Margin Information Last Ten Fiscal Years
(Unaudited)

Table 12

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Tax rate limit	$ 2.50	$ 2.50	$ 2.50	$ 2.50	$ 2.50	$ 2.50	$ 2.50	$ 2.50	$ 2.50	$ 2.50
Current tax rate	0.6450	0.6450	0.6486	0.6450	0.6450	0.6450	0.6450	0.6450	0.6450	0.6450
Available tax rate	$ 1.86	$ 1.86	$ 1.85	$ 1.86	$ 1.86	$ 1.86	$ 1.86	$ 1.86	$ 1.86	$ 1.86

Notes: The City Charter of the City of Celina, Texas does not provide for a debt limit. Under provisions of state law, the maximum tax rate is limited to $2.50 per $100 assessed valuation. No direct bond debt limitation is imposed on the City under current state law.

City of Celina, Texas
Direct and Overlapping Governmental Activities Debt
As of September 30, 2021
(Unaudited)

Table 13

Governmental Unit	Gross Bonded Debt	% of Debt Applicable to Area[a]	Celina Share of Overlapping Debt
Debt Repaid with Property Taxes			
Celina ISD	242,026,580	52.09%	126,071,646
Collin County	526,975,000	0.67%	3,530,733
Collin County CCD	514,470,000	0.67%	3,446,949
Denton County	571,605,000	0.20%	1,143,210
Prosper ISD	1,143,035,164	7.24%	82,755,746
Subtotal, overlapping debt	2,998,111,744		216,948,283
City of Celina (direct debt)	123,494,860	100%	123,494,860
Total direct and overlapping debt			$ 340,443,143

Notes: Details regarding the City's outstanding debt is found in the notes to the financial statements. The amounts presented are net of bond premiums.

[a] The percentage of overlapping debt applicable is estimated using taxable assessed property values (before freeze loss). Applicable percentages were estimated by determining the portion of another governmental unit's taxable assessed value that is within the city's boundaries and dividing it by each unit's total taxable assessed value.

City of Celina, Texas
Pledged Revenue Coverage
As of September 30, 2021 (Unaudited)
Last Ten Fiscal Years

Table 14

Water and Sewer System Revenue Bonds

Fiscal Year	Total Revenue[a]	Less: Operating Expense[b]	Net Available Revenue	Annual Requirement[c]	Times Coverage
2012	$ 4,406,232	$ 2,633,213	$ 1,773,019	$ 543,005	3.27
2013	$ 4,819,636	$ 2,720,198	$ 2,099,438	$ 559,408	3.75
2014	$ 6,164,464	$ 2,690,720	$ 3,473,744	$ 808,862	4.29
2015	$ 7,557,801	$ 3,326,739	$ 4,231,062	$ 1,158,447	3.65
2016	$ 10,171,180	$ 7,059,651	$ 3,111,529	$ 1,697,450	1.83
2017	$ 13,742,320	$ 8,982,382	$ 4,759,938	$ 1,892,430	2.52
2018	$ 20,271,504	$ 10,604,055	$ 9,667,449	$ 1,520,733	6.36
2019	$ 22,258,314	$ 10,927,759	$ 11,330,555	$ 3,398,343	3.33
2020	$ 27,408,299	$ 11,652,539	$ 15,755,760	$ 4,880,253	2.53
2021	$ 41,637,280	$ 14,304,459	$ 27,332,821	$ 7,419,169	3.68

[a] Includes operating revenues and investment income

[b] Includes operating expenses minus depreciation

[c] Includes Principal and Interest (represents average annual requirement)

City of Celina, Texas
Demographic and Economic Statistics
Last Ten Fiscal Years
(Unaudited)

Table 15

Fiscal Year	Estimated Population[a]	Personal Income[b]	Per Capita Income[e]	Average Household Income[f]	School Enrollment[c]	Unemployment Rate[d]
2012	6,209	$ 342,798,890	$ 55,210	N/A	2,013	5.6%
2013	6,457	$ 355,283,511	$ 55,023	N/A	2,035	5.4%
2014	6,715	$ 384,339,740	$ 57,236	N/A	2,075	4.4%
2015	6,984	$ 415,771,488	$ 59,532	$ 124,375	2,201	3.6%
2016	7,683	N/A	N/A	$ 124,375	2,353	3.8%
2017	10,310	$ 376,036,630	$ 36,473	$ 124,375	2,425	3.2%
2018	13,090	$ 538,967,660	$ 41,174	$ 124,375	2,568	3.3%
2019	17,680	$ 625,394,640	$ 35,373	$ 124,375	2,723	3.3%
2020	21,430	$ 896,974,080	$ 41,856	$ 134,428	2,831	3.2%
2021	25,195	$ 1,124,175,705	$ 44,619	$ 142,444	3,429	3.4%

[a] **Source:** North Central Texas Council of Governments April 2021 publication

[b] **Source:** Personal Income calculated by multiplying estimated population by per capita income.

[c] **Source:** Celina Independent School District

[d] **Source:** Texas Workforce Commission calendar year 2021 for Collin County

[e] **Source:** North Central Council of Governments for 2021

[f] **Source:** North Central Council of Governments and U.S. Census Bureau

City of Celina, Texas
Top Employers
Fiscal Year Ended September 30, 2021 (Unaudited)

Table 16

2021

Major Employers in Celina, Texas

Employer	# of Employees
Celina ISD	493
City of Celina	189
Settlers Ridge Care Center	100
Gold Star Team – Keller Williams	100
Brookshire	63
Chemtrade Logistics	30
Redi-Mix Inc	25
CAD/CAM Svc Inc	25
Texas Seasons Nursery	21
Protective Products /inc	17
Aspire Dayhabilitation Svc - Tx	15
Independent Bank	11

2016

Major Employers in Celina, Texas

Employer	# of Employees
Celina ISD	330
City of Celina	84
Brookshire	70
Chemtrade Logistics	27
Independent Bank	20
Dickerson	31
Ceina Ready Mix	16
Texas Star Bank	10

Source: Respective entities

City of Celina, Texas

Full Time Equivalent City Government Employees by Function/Program

As of September 30, 2021 (Unaudited)

Last Ten Fiscal Years

Table 17

Function/Program	Dept.	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
GIS	101	-	-	-	-	-	-	-	1	1	2
Facilities	102	-	-	-	-	-	-	-	1	1	2
Information Technology	103	-	-	-	-	-	-	-	3	2	1
Finance	104	-	-	-	-	-	-	-	8	7	9
Library	105	1	2	2	2	2.5	2.5	3.5	3.5	3.5	2.5
City Secretary	106	1	1	1	1	2	3	4	2	1	1
Development Services	107	4.5	5	6	6	9	10	16	20	18	23
Administration	108	2	4	4	5	6	6	9	4	5	7
Municipal Court	109	1	1	1	1	1	2	2	3	2	2
Fire & EMS	110	11	11	11	11	16	19	22	41	41	42
Streets	111	3.5	4	4	6	7	7	7	7	5	5
Police	112	6	8	8	12	17	19	21	27	30	33
Parks	113	3	4	4	5	5	7	7	8	7	10.8
Community Relations/Marketing	114	-	-	-	1	1	1	1	1	2	4
Engineering	115	-	-	-	-	4	6	6	9	8	13
Human Resources	116	-	-	-	-	-	-	-	2	3	3
Main Street	127	-	1	1	1	1	1	1	1	1	0
Total general fund		33	41	42	51	71.5	83.5	99.5	141.5	137.5	160.3
Water	118	4	4	4	8	10	10.5	14	14	12	17
Wastewater	119	2	2	2	3	4	5.5	7	8	7	7
Utility billing	120	0	0	0	0	0	3.5	4	3	3	5
Total water and wastewater fund		6	6	6	11	14	19.5	25	25	22	29
Total FTE – all funds		39	47	48	62	85.5	103	124.5	166.5	159.5	189.3

City of Celina, Texas
Operating Indicators by Function
Last Ten Fiscal Years
(Unaudited)

Table 18

	Fiscal Year									
Function/Program	**2012**	**2013**	**2014**	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**
Police										
Number of police officers	6	8	8	12	16	20	21	27	30	30
Average response time (in minutes)	6	7	6	6	6	6	5	8	9	6
Calls for service	13,729	12,839	10,882	18,322	18,414	13,422	14,852	17,231	20,402	18,537
Fire										
Number of calls answered	1,114	870	892	932	946	1,174	1,422	1,516	1,686	1,992
Number of firefighters	-	-	9	9	14	15	19	41	41	41
Number of EMS runs	613	477	480	457	521	641	704	796	885	1,093
Development Services										
Number of inspections	N/A	N/A	N/A	5,000	9,350	34,628	40,009	46,069	49,018	67,542
Total number of permits issued (all types)	N/A	N/A	N/A	1,126	1,688	3,021	2,925	2,548	2,908	4,296
Municipal Court										
Number of new cases filed	N/A	N/A	1,271	1,803	2,520	2,000	1,214	1,260	1,258	870
Fines & fees collected	N/A	N/A	259,496	311,869	471,843	400,000	222,750	196,932	211,828	183,228
Streets										
Miles of streets	N/A	N/A	124	138	154	213	241	352	370	382
Miles of storm sewer	N/A	N/A	31	35	39	48	48	67	82	107.8
Acres of drainage right of way	N/A	N/A	7	8	9	9	9	9	11	14.9
Regulatory and warning signs	N/A	N/A	594	660	733	753	800	880	947	1247
Water										
Gallons of water treated (in million gal.)	N/A	N/A	365	446	508	671	792	815	959	1,192.3
Miles of water lines	N/A	N/A	90	100	112	134	168	175	184	211.8
Number of valves	N/A	N/A	1,514	1,666	1,833	2,504	3,581	4,060	4,585	5,888
Number of fire hydrants	N/A	N/A	517	569	626	998	1,352	1,415	1,536	1,928
Number of water meters	N/A	N/A	2,986	3,351	3,875	4,598	5,948	6,862	8,135	9,908
Wastewater										
Gallons of WW treated (in million gal.)	N/A	N/A	132	147	85	180	209	229	194	199.13
Miles of sewer lines	N/A	N/A	61	67	74	94	122	138	142	168.29
Number of lift stations	N/A	N/A	13	12	11	11	11	11	11	11
Utilities										
Number of active customers	2,380	2,497	2,860	3,337	3,902	4,584	5,955	6,862	8,141	9957
Number of new customers	506	569	956	1,273	1,597	2,054	2,464	2,682	3,764	1465

*NA - Information not available

Source: City Departments

City of Celina, Texas
Capital Asset Statistics by Function /Program
Last Ten Fiscal Years
(Unaudited)

Table 19

Function/Program	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Fire										
Stations	1	1	1	1	1	1	1	1	2	2
Library	1	1	1	1	1	1	1	1	1	1
Parks and Recreation										
Park Acreage	45.7	115.7	115.7	145.7	164.7	164.7	164.7	215.9	436.3	472
Public Parks	3	3	3	3	3	3	3	3	3	3
Streets										
Miles of Streets	N/A	N/A	124	138	154	213	241	352	370	382
Water and Wastewater										
Miles of Water Lines	N/A	N/A	90	100	112	134	168	175	184	211.18
Miles of Sewer Lines	N/A	N/A	61	67	74	94	122	138	142	168.29
Number of Lift Stations	N/A	N/A	13	12	11	11	11	11	11	11

Source: City Departments